RICOH
imagine. change.

RICOH INDIA LIMITED
2nd Floor, Salcon Aurum Building,
Plot No.4, District Centre Jasola
New Delhi – 110 025, India
CIN L74940MH1993PLC074694
Tel : + 91-11- 49103000, 49103200
Fax : + 91-11- 49103099, 49103199
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

26 May 2017

The Listing Department
BSE Limited
P.J. Towers
Dalal Street, Fort
Mumbai – 400 001

AUDITED FINANCIAL RESULTS AND AUDITORS REPORT FOR THE YEAR ENDED 31 MARCH 2017 – RICOH INDIA LIMITED

Dear Sir

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, enclose please find herewith the following:-

(a) Audited Financial results for the quarter and year ended 31 March 2017 approved and taken on record by the Board at their meeting held today (Enclosed as Annexure I);

(b) Auditors Report on quarterly and year to date financial results pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015 (Enclosed as Annexure II);

(c) Statement on Impact of Audit Qualifications on the financial statements for the year ended 31 March 2017 as per SEBI Circular Cir/CFD/CMD/56/2016 dated 27 May 2016 (Enclosed as Annexure III).

The above is for your kind information please.

Yours Faithfully
For Ricoh India Limited

Manish Sehgal
Company Secretary

Encl: a/a

ANNEXURE - I

RICOH imagine. change.

RICOH INDIA LIMITED
(CIN - L74940MH1993PLC074694)
Regd.Off. 801, 8th Floor,Ackruti Star, MIDC Central Road,Near Marol Telephone Exchange,MIDC, Andheri – East,Mumbai – 400 093
Website: www.ricoh.co.in, Email: ril.secretarial@ricoh.co.in
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017

(Amount in Rs. Lacs)

	Particulars	Quarter ended			Year to date	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016
		Audited	Unaudited	Audited	Audited	Audited
1	**Revenue from Operations**					
	-Sales of goods	**27,998**	11,421	(25,881)	**71,089**	57,240
	-Sales of services	**12,084**	9,841	40,601	**40,366**	40,251
	-Other Operating Income	**8,888**	308	596	**10,293**	9,217
	Other Income	**(682)**	151	7,138	**921**	7,021
	Total income from Operations	**48,288**	21,721	22,454	**122,669**	113,729
2	**Expenses**					
	Purchase of stock-in-trade & services	**(12,025)**	66,415	2,966	**88,230**	91,367
	Changes in inventories of Stock in Trade	**55,870**	(48,050)	(11,776)	**15,866**	(29,598)
	Employee benefits	**2,454**	3,499	3,341	**12,380**	12,539
	Finance Costs	**2,756**	3,302	5,559	**15,470**	13,748
	Depreciation and amortisation	**245**	583	457	**1,750**	1,701
	Other expenses	**5,492**	4,492	39,714	**22,285**	65,576
	Total Expenses	**54,792**	30,241	40,261	**155,981**	155,333
3	(Loss)/Profit before exceptional items and tax (1-2)	**(6,504)**	(8,520)	(17,807)	**(33,312)**	(41,604)
4	Exceptional Items			69,305		69,305
5	(Loss)/Profit before tax (3-4)	**(6,504)**	(8,520)	(87,112)	**(33,312)**	(110,909)
6	Tax Expense					
	- Current year	**-**	-	-	**-**	-
	- Deferred tax	**-**	-	-	**-**	(864)
	-Income tax earlier year	**-**	660	242	**660**	-
7	(Loss)/ Profit for the period/ year (5+6)	**(6,504)**	(7,860)	(86,870)	**(32,652)**	(111,773)
8	Extraordinary item (net of tax expense Rs. Nil)	**-**	-	-	**-**	-
9	(Loss)/Net Profit for the period/ year (7-8)	**(6,504)**	(7,860)	(86,870)	**(32,652)**	(111,773)
10	Paid up equity share capital (Rs. 10/- each)	**3,977**	3,977	3,977	**3,977**	3,977
11	Reserves excluding revaluation reserves as per Balance Sheet	**-**	-	-	**(19,245)**	(98,891)
12.i	(Loss)/ Earnings per share (before extraordinary items) (of Rs 10/-each) (not annualised):					
	a) Basic	**(16.36)**	(19.76)	(218.45)	**(82.11)**	(281.07)
	b) Diluted	**(16.36)**	(19.76)	(218.45)	**(82.11)**	(281.07)
12.ii	(Loss)/ Earnings per share (after extraordinary items) (of Rs 10/-each) (not annualised):					
	a) Basic	**(16.36)**	(19.76)	(218.45)	**(82.11)**	(281.07)
	b) Diluted	**(16.36)**	(19.76)	(218.45)	**(82.11)**	(281.07)
13	Debt Equity Ratio				**(6.98)**	(2.47)
14	Debt Service Coverage Ratio				**(0.02)**	(0.16)
15	Interest Service Coverage Ratio				**(2.18)**	(2.04)

PART II

Select Information for the Quarter and Year ended 31 March 2017

	Particulars	Quarter ended			Quarter ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016
		Audited	Unaudited	Audited	Audited	Audited
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	**10,497,791**	10,497,791	10,497,791	10,497,791	10,497,791
	- Percentage of shareholding	**26.4%**	26.4%	26.4%	26.4%	26.4%
2	Promoter and Promoter group shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of total share capital of the company)	-	-	-	-	-
	b) Non- encumbered					
	- Number of shares	**29,270,370**	29,270,370	29,270,370	**29,270,370**	29,270,370
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	**100.0%**	100.0%	100.0%	**100.0%**	100.0%
	- Percentage of shares (as a % of total share capital of the company)	**73.6%**	73.6%	73.6%	**73.6%**	73.6%

	Particulars	Quarter ended 31 March 2017
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	2
	Disposed of during the quarter	2
	Remaining unresolved at the end of the quarter	NIL

2

Ricoh India Limited

Statement of Assets and Liabilities

(Rs. In Lacs)

Particulars	As at 31 March 2017	As at 31 March 2016
	Audited	Audited
EQUITY AND LIABILITIES		
Shareholder's Funds		
Share Capital	3,977	3,977
Reserves and Surplus	(19,245)	(98,891)
Non-current Liabilities		
Long Term Borrowings	-	20,000
Other Long Term Liabilities	418	412
Long Term Provisions	2,640	5,695
Current Liabilities		
Short Term borrowings	106,603	214,501
Trade Payables	71,811	44,379
Other Current Liabilities	27,750	22,985
Short Term Provisions	681	220
Total	194,635	213,278
ASSETS		
Non Current Assets		
Fixed Assets		
Tangible Assets	6,027	6,268
Intangible Assets	392	471
Capital Work in Progress	4	4
Non-Current Investments	-	-
Deferred Tax Asset	-	-
Long term Loans and Advances	7,447	10,183
Other Non Current Assets	23,571	14,111
Current Assets		
Inventories	33,328	49,194
Trade Receivables	66,438	56,780
Cash and Cash Equivalent	5,004	5,981
Short term Loans and Advances	47,519	48,763
Other Current Assets	4,905	21,523
Total	194,635	213,278

For and on behalf of the Board
of Ricoh India Limited

Date : 26 May 2017
Place : New Delhi

AT Rajan
Managing Director & CEO
DIN: 07487969

3

RICOH
imagine. change.

Notes to the accounts

1. Subject to the matters below the financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India, the Accounting Standards specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Act.

Going concern

2. As at 31 March 2017 the Accounts show a deficiency of net assets of Rs. 15,268 Lacs. The Directors consider the preparation of the financial results on a going concern basis as appropriate, as they have received a letter of support from the ultimate parent company (Ricoh Company, Limited) that it shall provide support through the availability of funds, or such other support as may be required by the Company, for the 12 months from the date of filing these Accounts to enable the Company to pay off its debts as and when they fall due. This is evident from the capital infusion of Rs. 112,300 Lacs by NRG Group Limited (the second largest shareholder and Co-Promoter).

Background

3. As detailed in the Annual Report and Financial Statements for the year ended 31 March 2016 (note 45 therein) the Company had to deal with multiple concerns arising from the falsification of its accounts. To address these issues the Audit Committee of the Company ("Audit Committee") engaged various investigating parties which ultimately comprised Shardul Amarchand Mangaldas & Co., Advocates & Solicitors ("SAM") who in turn appointed PricewaterhouseCoopers Private Limited, India ("PwC"). In addition, a team comprising various Ricoh group representatives, all of whom were independent of Ricoh India Limited, was established to continue the investigations alongside PwC

   PwC issued a 'Report on Preliminary Findings' ("Preliminary Report") dated 20 April 2016. Upon receipt of the Preliminary Report, the Company made disclosures and filings with the various regulatory authorities including the BSE Limited, The Securities & Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") and also filed a criminal complaint with the Delhi Police. On 12 April 2017 the Company received a letter from the Delhi Police/EOW relating to the closure of the criminal complaint filed by it. The Company has made representations to the Commissioner of Police, Delhi and is in ongoing discussions regarding the matter

   On 18th May, 2016, the Company published its financial results for the quarter and half year ended 30 September 2015. In the disclosures accompanying the financial results, the Board of Directors stated that the financial results did not represent a true and fair view of the state of affairs of the Company and the reasons thereof. The statutory auditors did not provide an opinion in their limited review report.

   On 19 July 2016 the internal investigation team and the Company presented the estimated unaudited loss for the year ended 31 March 2016 of Rs.112,300 Lacs to the Audit Committee. This estimated result was approved and filed with the BSE Limited.

   On 19 July 2016 the Promoter, Ricoh Company Limited, filed a petition with the Hon'ble National Company Law Tribunal ("NCLT") seeking various reliefs but in particular the recapitalisation of the Company.

   On 24 August 2016 the NCLT issued an Order granting the cancellation of the shares of either Ricoh Company Limited, or the Co-Promoter NRG Group Limited, and the preferential issue of the same number of shares for an amount equivalent to the estimated unaudited loss announced on 19 July 2016 i.e. Rs.112,300 Lacs.

On 14 October 2016 an Extraordinary General Meeting was held that approved the recapitalisation by way of cancellation of the shares of NRG Group Limited and preferential issue of the same number of shares to NRG Group Limited. On 15 October 2016 the board approved the cancellation, issue and allotment for the consideration of Rs.112,300 Lacs.

On 17 November 2016 PwC presented their final report ("the PwC Report") and the independent team presented their findings to the Audit Committee. The PwC Report has been shared with the relevant regulatory authorities.

On 18 November 2016 the results along with the statutory auditor's report for the quarter and nine months ended 31 December 2015 and the quarter and year ended 31 March 2016 were presented to the Audit Committee. These were subsequently approved by the board and filed with the BSE Limited.

The statutory auditors issued a disclaimer of opinion on the financial statements at 31 March 2016. The Company sought to satisfy the statutory auditors that the balance sheet represented a true and fair view but were unable to do so. The Directors filed the appropriate statement with the BSE Limited that there was no difference between the results reported and the results with the impact of the disclaimer of opinion. On the basis of the investigations carried out by PwC and the independent investigation team, and based on the information available to the Directors, the Directors confirmed their belief that the balance sheet as at 31 March 2016 materially represented a true and fair view and would form the basis for future reporting.

On 22 November 2016, the BSE Limited listed an appeal to the Hon'ble National Company Law Appellate Tribunal ("NCLAT") that the Company under the direction of the NCLT had not, *inter alia,* followed the appropriate legal procedures regarding the recapitalisation. On 23 May 2017 the NCLAT disposed the matter. The Company will now initiate discussion with the BSE Limited on the listing of the shares subscribed by NRG Group Limited.

On 12 December 2016 the results along with the statutory auditor's report for the quarter ended 30 June 2016 and the quarter and half year ended 30 September 2016 were approved and filed with the BSE Limited. On 8 February 2017 the results along with the statutory auditor's report for the quarter and nine months ended 31 December 2016 were approved and filed with the BSE Limited. The statutory auditors in each of these periods disclaimed from an opinion in their limited review report.

On 26 May 2017 the results along with the statutory auditor's report for the quarter and year ended 31 March 2017 were presented to the Audit Committee. These were subsequently approved by the board and filed with the BSE Limited. Whilst, significant improvements have been made by the Company, and these are reflected in the audit report, the statutory auditors have as anticipated still disclaimed from an opinion in their report. The Directors have filed the appropriate statement with the BSE Limited that there was no difference between the results reported and the results with the impact of the disclaimer of opinion. On the basis of the information available to the Directors, the Directors have confirmed their belief that the balance sheet as at 31 March 2017 materially represented a true and fair view and hence that the result for the year then ended similarly represented a materially true and fair view. The Directors have addressed the contents of the statutory auditors' report in the Directors' Report included in the Annual Report for 2015 -16 and there are no new significant matters raised in the auditors' report for the current period and hence no further updates to provide in this regard. Full details will be included in the Annual Report for 2016-2017.

Basis of preparation

4. As a result of the investigations and the matters identified, the Company concluded that it was impractical because of limitations in the available documentation, the inability to conclude on the nature of certain transactions, and due to time and cost, to seek approval to restate all financial periods up to 31 March 2016 during which the falsification of accounts had taken place.

   Hence, the Company reported the final loss for the quarter and year ended 31 March 2016 and separately identified, where possible, the loss relating to previous periods. Given the nature of the falsification of accounts it was not possible to fully allocate the falsifications or errors since to do so would have required significant assumptions that would have been subjective.

In order to ensure that the Company can measure its operating performance the Company has, insofar as possible, restated the results for the quarter ended 31 March 2016. This proforma normalised data is unaudited but is prepared on the basis of consistent accounting policies.

The loss for the quarter ended 31 March 2017 and the previous four quarters

(Amount in Rs. Lacs)

	Quarter ended				
	31 March 2017	31 December 2016	30 September 2016	30 June 2016	31 March 2016**
Revenue from operations	40,082	21,262	27,335	22,776	14,720
Other operating income	8,888	308	691	406	596
Operating loss before interest	(3,748)	(5,218)	(3,817)	(5,059)	(12,250)
Interest	2,756	3,302	4,918	4,494	5,559
Loss before tax and exceptional items	(6,504)	(8,520)	(8,735)	(9,553)	(17,807)

**normalised to exclude impacts of falsification and errors

Revenue from operations increased in the quarter ended 31 March 2017 compared to quarter ended 31 December 2016. This is because the Company's revenue is dependent upon the timing of milestone achievement in respect of contracts in progress.

Operating loss before interest has decreased from previous quarter. The interest cost reduced reflecting the capital infusion of Rs.112,300 lacs on 15 October 2016. The Company is continuing its efforts to return to profitability.

5. The one off adjustments and/or accounting falsifications that were identified in the year ended 31 March 2016 and included in the loss for that year have had a significant impact on the Company. Given the significance of these matters the Company continues to work with all of the relevant authorities to take action against those responsible. At this time all such matters are subject to legal process and consequently it is inappropriate for the Company to comment in detail and potentially prejudice such action.

Further commentary

6. Further commentary will be included in the Company's annual report and accounts as management discussion and analysis.

Other matters

7. Segment reporting.

   The Board of Directors consider that the sale of goods is an integral part of the delivery of services whether it be by way of Ricoh product or third party product. The Board of Directors also consider that the delivery of IT services is an adjacent activity that extends the Company's integrated offering to customers.

   In view of the above the Directors continue to regard the business as a single business segment.

8. Ratios have been computed as follows:

   Debt equity ratio = Total debt/net worth
   Interest service coverage ratio = earnings before interest & tax/interest expense
   Debt Service coverage ratio = earnings before interest & tax/interest expense & principal payments made during the year on long term loans

9. As a result of the falsification of accounts referred to above the Company is working with a number of regulatory authorities. The Company has no reason to believe that any liabilities will arise out of its cooperation with any investigation by such authorities and hence no provision is included in the accounts at 31 March 2017.

10. The figures for the quarter ended 31 March 2017 and 31 March 2016 are the balancing figures between audited figures in respect of the full financial year and the year to date published figures up to the period ended 31 December 2016 and 31 December 2015 respectively.

11. Previous year figures have been regrouped/ re-arranged/ re-classified, wherever necessary to make them comparable with the current period figures.

For and on behalf of the Board of Ricoh India Limited

A T Rajan
Managing Director & CEO
DIN: 07487969

Place: New Delhi
Date: 26 May 2017

ANNEXURE - II

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

Independent auditor's report to the Board of Directors of Ricoh India Limited

1. We were engaged to audit the accompanying statement of financial results ('the Statement') of Ricoh India Limited ('the Company') for the year ended 31 March 2017, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2017 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between figures in respect of the full financial year and the year to date figures up to the end of third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit includes assessing the accounting principles used and significant estimates made by management. Because of the matters described in paragraphs 3 to 14 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

3. In view of irregularities and suspected fraudulent transactions noted during the year ended 31 March 2016, the Company carried out investigations. As a result of the investigations, the Company recorded significant adjustments in its books of account during the year ended 31 March 2016. These primarily related to recognition of adjustments / transactions which had remained out of books in earlier periods, disclosure of bank borrowings / bills discounted, reversal of circular sale and purchase transactions with certain parties with minimal value addition considered fictitious and inappropriate revenue recognition, correction of inventory values and provisions of receivable balances considered bad / doubtful of recovery.

   We have made the necessary reporting to Central Government on 30 June 2016 of suspected offence involving fraud being committed or having been committed as required by Rule 13(1)(ii) of the Companies (Audit and Auditors) Rules, 2014 [as amended by the Companies (Audit and Auditors) Amendment Rules, 2015].

   In view of the fact that matters relating to above-mentioned financial irregularities are sub-judice and investigations by regulatory authorities are yet to be completed, we are unable to comment on the consequential impact, if any, on the financial results of the outcome of such investigations / enquiry by law enforcement agencies and outcome of related litigation and claims.

4. We had made various observations in our audit report dated 18 November 2016 on the financial results for the year ended 31 March 2016, which inter alia included apart from other matters [including those listed in paragraph 3 above], limitations with regard to availability of

B S R & Co. LLP GURGAON Chartered Accountants

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

original documents and information, satisfactory explanations and justifications required for audit. In view of the limitations and uncertainties involved, we had expressed our inability to express an opinion on the financial results for the year ended 31 March 2016. Our opinion on the current year's financial results is also modified to this extent because of the possible effects of the above matters on the figures for the current year and on the corresponding figures as at and for the year ended 31 March 2016, which also affects their comparability with current year figures.

5. While there has been significant improvement in the overall availability of information / documentation as compared to the previous year, we are unable to comment on the necessary adjustments / disclosures in relation to the following items in view of non-availability of certain necessary information / documentation / satisfactory explanations / justifications relevant to current audit –

   a. existence and accuracy of certain net sales and related purchases of products where linkage of proof of deliveries to the corresponding sales / purchase invoices could not be made available and consequential impact, if any, on related account heads;
   b. completeness, existence and accuracy of the contingent liabilities, provision for contingencies and asset balances with Government authorities and others including adjustments made during the year in the absence of system of tracking various claims, notices, demands and litigations;
   c. appropriateness of related accruals / provision for onerous contracts in absence of complete correlation of contract related purchases to relevant contracts;
   d. appropriateness of an amount of INR 717.14 lacs included in trade payables in the absence of complete information and supporting documentation;
   e. original documents / agreements were not available in some cases and hence we have had to carry out our substantive audit procedures on photo copies of those documents.

6. In respect of revenue contracts, checked on a sample basis for our audit purposes, we noted discrepancies / inaccuracies in assumptions used which included allocation of revenues and costs to multiple elements of the contracts, assessment of nature of revenue (out-right sale vs. lease), estimated costs to complete or exit the contracts etc. Such discrepancies / inaccuracies have been substantially corrected only for the above mentioned sample. Consequently, we are unable to comment on the existence of discrepancies / inaccuracies, if any, in the remaining untested revenue contracts.

   In view of the above matter, we are unable to comment on consequential impact on accounting of revenue and costs recognized for these contracts and the corresponding balances of contract work-in-progress, unearned revenues, receivables and provision for liabilities including those towards onerous contracts.

7. During the year ended 31 March 2016, in respect of receivables for machines given on lease, we were not able to complete our audit procedures due to non-availability of complete documentation / details e.g. absence of lease contracts, / details and reconciliation of amount collected till 31 March 2016 / amount due as at period-end and analysis of nature of lease such as operating lease vs. finance lease etc. Further, we observed inaccuracies / inconsistencies in details used for computation of lease receivable as at period end such as fair value of lease, lease terms, computation of interest rate implicit in the lease etc. No further information in respect of such lease contracts entered till 31 March 2016 has been provided to us for the purpose of our audit in the current year.

   Further, based on samples tested in respect of lease contracts entered during the current year, we noticed inconsistencies / errors in calculation of amounts allocated to multiple elements in

B S R & Co. LLP GURGAON * Chartered Accountants * the contracts (e.g. lease instalment and charges based on number of prints) and classification of leases into operating and finance leases.

In view of abovementioned observations, we are unable to comment on the carrying value of lease receivables balances and appropriateness of lease income and depreciation expense recognised for the year ended 31 March 2017 and the consequential impact on the carrying value of assets given on lease as at 31 March 2017.

8. In relation to trade receivables –

   a. the age wise analysis prepared by the Company is not appropriate;
   b. as per the aforesaid age-wise analysis and based on information provided to us, the balance as at the year-end includes amount totaling to INR 29,445.74 lacs that has been outstanding for more than six months. This includes amounts due from certain parties totaling to INR 21,262.65 lacs with whom there have been no significant transactions during the six months ended 31 March 2017. Further, of the total receivables, INR 19,596.99 lacs is outstanding for more than one year. In the absence of adequate evidence and information we are unable to comment on the recoverability of these amounts;
   c. the Company does not have a regular system in place to perform periodical reconciliation of balances with the customers. Further, the response to our request for balance confirmations on a sample basis from the customers as on 31 March 2017 and the subsequent receipts from customers have been insignificant.

   In view of the above, we are unable to comment on the financial impact of this matter on the carrying value of accounts receivables, related deposits, provision for bad / doubtful receivables and consequential impact, if any, on the revenue recognized for the year ended 31 March 2017.

9. In respect of inventories, the Company has not provided us -

   i. evidence of existence and valuation of certain inventories valued at INR 2,914.34 lacs (after a write down of INR 2,653.62 lacs) for which no physical verification has been conducted;
   ii. evidence regarding existence of inventories in respect of certain revenue contracts lying with third parties valued at INR 5,479.24 lacs [also refer to our comments in paragraph 5(a) above];
   iii. appropriate justification for the basis of determining the write down in relation to old / slow moving / non-moving inventories. Based on information provided to us, the value of inventories which have been lying in stocks for more than six months as at 31 March 2017 amounts to INR 16,756.78 lacs, against which, a write down of INR 3,796.08 lacs has been taken by the Company;
   iv. classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses.

   Therefore, we are unable to comment on possible adjustment of these, if any, to the carrying value of inventories, purchase of traded goods, warranty and other expenses and related provisions thereof.

10. During the current year, the Company has carried out reconciliations / confirmations with a large number of vendors. Such reconciliation process has resulted in significant differences when compared with the balances appearing in the books of account of the Company. Pending completion of reconciliation with the remaining vendors and considering the insignificant response to our request for balance confirmations on a sample basis from the vendors as on

B S R & Co. LLP GURGAON * Chartered Accountants *

31 March 2017, we are unable to comment on the differences and consequential adjustments, if any, and the impact thereof on purchases, other expenses and trade payables.

Further, in respect of one of the key vendors of the Company, the balance recoverable (net advance given) is INR 33,984.42 lacs as at 31 March 2017. As informed to us by the management, the Company believes that the entire amount is good and recoverable. However, basis the evidence currently available, we are unable to express an opinion whether any provision is required therefor.

11. During the previous year, the Company had performed physical verification of certain fixed assets. As a result, a number of assets were physically found and were not appearing in the fixed assets register. These were recorded at zero value in the books of account / fixed assets register. The Company has not identified / assigned appropriate values to such assets and these assets continue to be recorded at zero value. Accordingly, we are unable to comment on the carrying value of such fixed assets and corresponding depreciation thereof.

12. During the year, the Company has recorded adjustments in the financial results to take effect of unrecorded / unadjusted transactions till the end of the previous year and actualization of various assumptions and estimates made by the Company in preparing its financial results for the year ended 31 March 2016. However, the impact of such adjustments has not been quantified and disclosed separately as required under AS-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies".

13. The Company did not prepare consolidated financial statements for the year ended 31 March 2016 in respect of long term investments in equity shares of IDC Electronics Limited (an associate) being carried at INR 1 (net of provision for diminution) in the books of account, as required under section 129 sub-section 3 of the Companies Act, 2013. Accordingly, we are unable to comment on the possible impact, if any, of the non-compliance with provisions of the Act.

14. In our view, the internal controls both operating and financial including information technology controls require considerable strengthening. In particular, controls over maintenance of books of account, proper supporting documentation need a thorough review.

15. The Company's net worth has been completely eroded by its accumulated losses as at the end of the current year. However, in view of continued financial support, which is also evidenced by significant capital infusion during the year, from a fellow subsidiary (second largest shareholder), management is of the view that the Company shall be able to continue as a going concern. Accordingly, the management considers it appropriate to prepare these financial results on a going concern basis.

16. The Company has not been able to make a reliable estimate of the expenditure to be incurred to fulfil the obligation to collect electronic and electrical equipment ('EEE') waste under the E-Waste (Management) Rules, 2016 ('E-Waste Rules') owing to the uncertainties discussed therein. Consequently, the Company has not been able to estimate and recognize a provision for the same in its books of account as at 31 March 2017 and the obligation has been considered as a contingent liability.

In view of our observations in paras 3 to 14 above, we are unable to determine the adjustments, if any, that are necessary in respect of the financial results of the Company.

Because of the very substantive nature and significance of the matters described in para 3 to 14 above and because of the limitation on work performed by us, we have not been able to obtain sufficient appropriate audit evidence as to whether the accompanying statement of financial results

B S R & Co. LLP ★ GURGAON ★ Chartered Accountants has been presented in accordance with the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard and give a true and fair view of the net loss and other financial information for the year ended 31 March 2017.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Vikram Advani
Partner
Membership Number: 091765

B S R & Co. LLP
GURGAON
Chartered Accountants

Place: New Delhi
Date: 26 May 2017

ANNEXURE - III

RICOH
imagine. change.

RICOH INDIA LIMITED
2nd Floor, Salcon Aurum Building,
Plot No.4, District Centre Jasola
New Delhi – 110 025, India
CIN L74940MH1993PLC074694
Tel : + 91-11- 49103000, 49103200
Fax : + 91-11- 49103099, 49103199
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I.	1.	Turnover/Total Income	122,669	122,669
	2.	Total Expenditure	155,981	155,981
	3.	Net Profit/(Loss)	(32,654)	(32,654)
	4.	Earnings Per Share	(82.11)	(82.11)
	5.	Total Assets	194,635	194,635
	6.	Total Liabilities (excluding N/W)	209,903	209,903
	7.	Net Worth	(15,268)	(15,268)
	8.	Any other financial item(s) (as felt appropriate by the management)	–	–

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:** Disclaimer of Opinion

~~b.~~ **Type of Audit Qualification:** ~~Qualified Opinion~~/Disclaimer of Opinion/~~Adverse Opinion~~

c. **Frequency of qualification:** Repetitive – Previous Disclaimer of Opinion for year ended 31 March 2016.

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Quantified by the Auditor

Regd. Off : 801, 8th Floor, Ackruti Star, MIDC Central Road, Near Marol Telephone Exchange, MIDC, Andheri East, Mumbai– 400 093 India.

RICOH INDIA LIMITED
2nd Floor, Salcon Aurum Building,
Plot No.4, District Centre Jasola
New Delhi – 110 025, India
CIN L74940MH1993PLC074694
Tel : + 91-11- 49103000, 49103200
Fax : + 91-11- 49103099, 49103199
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:**

Based on the management analysis and assumptions, we believe that the Profit and Loss Account and Cash Flow Statement for the year ended 31 March 2017 and the Balance Sheet as at 31 March 2017 are materially correct. Hence, management do not believe there is any material financial impact of the audit qualification.

(ii) **If management is unable to estimate the impact, reasons for the same:**

Not Applicable

(iii) **Auditor's Comments on (i) or (ii) above:**

Our Audit Report dated 26 May 2017, lists in detail the significant matters identified during the audit, due to which we have been unable to express an opinion on the standalone financial statements. In view of this, we are unable to comment on the comments made by the management above.

RICOH
imagine. change.

RICOH INDIA LIMITED
2nd Floor, Salcon Aurum Building,
Plot No.4, District Centre Jasola
New Delhi – 110 025, India
CIN L74940MH1993PLC074694
Tel : + 91-11- 49103000, 49103200
Fax : + 91-11- 49103099, 49103199
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

III.	**Signatories:** • **Mr. AT Rajan : CEO/Managing Director** ________ • **Ms Pooja Aggarwal : Chief Financial Officer** ________ • **Mr. UP Mathur: Audit Committee Chairman** ________ • **BSR & Co. LLP Statutory Auditor** ________ **Place: New Delhi** **Date: 26 May 2017**

15