

**Dated : 29<sup>th</sup> June, 2021**

**To,**

**The Manager (Listing),  
Bombay Stock Exchange Limited,  
1st Floor, P. J. Towers,  
Dalal Street, Mumbai – 400001**

**Sub: Outcome of the Board Meeting and Submission of Audited Financial Results for the quarter and year ended 31st March, 2021 as required u/r 33 of the SEBI (LODR) Regulations, 2015.**

**Ref: Scrip Code 532072 (INTERDIGI)**

**Dear Sir,**

This is to inform you that in pursuance to Regulation 33 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company in its meeting held on Tuesday, 29<sup>th</sup> June, 2021 at 701, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi – 110001 and concluded just now has, inter-alia, transacted the following business:

1. Considered and Approved the Standalone Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2021.
2. Considered and Approved the Auditor's Report for the Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2021.
3. Considered and taken on record Statement of Impact of Audit Qualification (for audit report with modified opinion) for the Financial Year ended March 31, 2021 in 'Annexure 1' of SEBI Circular dated May 27, 2016 bearing Circular reference No. CIR/CFD/CMD/56/2016.
4. Considered and appointed M/s Kundan Agrawal & Associates, Company Secretaries as the Secretarial Auditor of the Company for the F.Y. 2021-22.
5. Considered and appointed M/s Sanghi & Co., Chartered Accountants as the Internal Auditor of the Company for the F.Y. 2021-22.



## **Interworld Digital Limited**

CIN : L72900DL1995PLC067808

Regd. Office: 701, Arunachal Building,  
19, Barakhamba Road, Connaught Place,  
New Delhi – 110001

Tel. No. : 011-43571044-45

Fax No. : 011-43571047

URL: [www.interworlddigital.in](http://www.interworlddigital.in)


Email: [interworlddigital.in@gmail.com](mailto:interworlddigital.in@gmail.com)

Further pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, a copy of the aforesaid Financial Results for the quarter and year ended 31st March, 2021 along with Auditor's Report and the aforesaid Statement of Impact of Audit Qualification for modified opinion in 'Annexure-1' are enclosed herewith for your kind perusal.

Kindly take the aforesaid information in your records.

Thanking You.

**Yours Truly,  
For Interworld Digital Limited**

  
**Peeyush Kumar Aggarwal**  
Director  
DIN: 00090423



**Encl: As Above**

INTERWORLD DIGITAL LIMITED						
CIN : L72900DL1995PLC067808						
Regd. Off. : 701, ARUNACHAL BUILDING, 19, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI-110001						
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH, 2021						
(Rs in Lacs except EPS)						
Sr No	Particulars	For the Quarter ended			Year Ended	
		31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	<b>Income from Operation</b>					
	(a) Net Sales/Revenue from Operations	-	-	-	-	-
	(b) Other Operating Income	-	-	-	-	-
	(c) Other Income	(0.94)	18.67	-	17.73	-
	<b>Total Income</b>	<b>(0.94)</b>	<b>18.67</b>	<b>-</b>	<b>17.73</b>	<b>-</b>
2	<b>Expenses</b>					
	a) Cost of Materials consumed	-	-	-	-	-
	b) Purchase of Stock-in-trade	-	-	-	-	-
	c) Changes in Inventory of Finished goods, Work-in-progress and Stock-in-trade	-	-	-	-	-
	d) Employee Benefits Expenses	2.66	2.66	2.62	10.24	9.43
	e) Finance Costs	0.75	0.01	-	0.78	0.91
	f) Depreciation and Amortisation expense	(40.69)	13.57	14.25	-	57.01
	g) Other expenses	4.90	1.93	3.43	10.16	9.54
	<b>Total Expenses</b>	<b>(32.38)</b>	<b>18.17</b>	<b>20.30</b>	<b>21.18</b>	<b>76.89</b>
3	<b>Profit/(Loss) before Exceptional items and tax (1-2)</b>	<b>31.44</b>	<b>0.50</b>	<b>(20.30)</b>	<b>(3.45)</b>	<b>(76.89)</b>
4	Exceptional Items	-	-	-	-	-
5	<b>Profit/(Loss) before tax (3 + 4)</b>	<b>31.44</b>	<b>0.50</b>	<b>(20.30)</b>	<b>(3.45)</b>	<b>(76.89)</b>
6	<b>Tax Expense</b>					
	- Current tax	-	-	-	-	-
	- Deferred tax	(8.88)	(2.96)	(3.46)	-	(12.62)
	Short Provision of earlier year	-	-	-	-	-
	<b>Total Tax Expenses</b>	<b>(8.88)</b>	<b>(2.96)</b>	<b>(3.46)</b>	<b>-</b>	<b>(12.62)</b>
7	<b>Profit/(Loss) for the period (5-6)</b>	<b>40.32</b>	<b>3.46</b>	<b>(16.84)</b>	<b>(3.45)</b>	<b>(64.27)</b>
8	Other Comprehensive Income (net of tax)	-	-	-	-	-
9	<b>Total Comprehensive Income for the period</b>	<b>40.32</b>	<b>3.46</b>	<b>(16.84)</b>	<b>(3.45)</b>	<b>(64.27)</b>
10	<b>Paid-up equity share capital ( face value of Re. 1/- per share )</b>	<b>4,783.77</b>	<b>4,783.77</b>	<b>4,783.77</b>	<b>4,783.77</b>	<b>4,783.77</b>
11	<b>Earning per share (EPS) of Re. 1/- each (not annualized)</b>					
	(1) Basic	0.01	0.00	(0.00)	(0.00)	(0.01)
	(2) Diluted	0.01	0.00	(0.00)	(0.00)	(0.01)
12	Reserves excluding Revaluation Reserves (Reserves as per Balance Sheet of Previous Accounting Year)				7,380.64	7,384.09
<b>Notes :</b>						
1	The above Results for the quarter and year ended March 31, 2021 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on June 29, 2021. The Statutory Auditors have carried out the audit for the year ended 31st March, 2021.					
2	The Company operates in a single segment and the results pertain to a single segment in accordance with IND AS 108-Operating Segment.					
3	Previous year/period figures have been regrouped/arranged, wherever necessary to make them comparable with the current period figure.					
4	The Company has adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs. This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies to the extent applicable.					



5	The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016. IND AS and Schedule III (Division II) to the Companies Act, 2013 applicable to the companies that are required to comply with IND AS.
6	Company has settled the dues of Rs. 47.55 Lacs Bank of India at Rs.29.82 Lakhs on one time settlement basis. Consequently company has booked the profit of Rs.17.73 lacs as 'other income' during the year under review.
7	<p>Auditor's observation in Audit report for the FY 20-21</p> <p>a)The past MD Mr. Manmahon Gupta had fraudulently shifted the entire business of the company including its Intellectual Property, to his own entity : consequently there is no revenue from operations during the year. The Company is making efforts to</p> <p>b)The Company had increased the authorised from Rs 21 crores to Rs 70 crores during the FY 2010-2011. ROC fees of Rs. 55.97 lacs towards the same stands payable.No provision has been made for any interest or fines payable thereon.</p> <p>c)Statutory dues of Service Tax / TDS / Professional Tax aggregating to Rs. 1.91 crore are outstanding since F. Y. 2009-10; service tax returns have not been filed from F.Y. 2011-12 onwards.No provision has been made for interest /penalties payable on such default.</p>
8	<p>Explanation to aforesaid Auditors Observation:</p> <p>a. The past MD Mr Manmohan Gupta, had fraudulently shifted the entire business of the company including its Intellectual Property to the entities formed by him. The board has constituted an Investigation Committee to investigate into the matter of closure of Mumbai office of the companyand the recovery of company's business and assets.</p> <p>b. The Company has increased its authorised capital from Rs. 21 Crores to Rs. 70 Crores during the period from F.Y. 2010-11. However, due to financial constraints and technical problems the company could not file Form 5 with ROC for increase in its authorised share capital. With the advent of the Companies Act, 2013 which came into effect from 01st April, 2014, the schedule of fees applicable w.r.t. increase in Authorised capital has been revised and increased. The Schedule of fees as per the Companies Act, 2013 has been made applicable and payable on the increased authorised share capital which the Company had increased prior to the applicability of Companies Act, 2013. Therefore, the company had filed the writ petition in the Hon'ble High Court of Delhi challenging the applicability of provisions prescribed under Para 3 of Table B under Registration of Offices and Fees Rules, 2014 vide diary no. 159963 dated 30/05/2016. The fees and Additional fees payable as per Companies Act, 1956 has already been provided for hence there is no further impact on the financials/ profitability of the company.</p> <p>c. As regards Auditor's observation that the Statutory dues of Rs. 1.91 crores are still payable, we hereby state that our Company has already provided for the amount payable towards Service Tax. Hence this liability will have no further impact on the profits/ losses of the company for the period under consideration. Further, the management of the company is making necessary efforts to arrange the funds required to repay the same.</p>
9	The figures for the quarter ended March 31,2021 and March 31,2020 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
10	Consequent to the COVID- 19 pandemic throughout the world, nationwide lockdown was implemented from 25th March 2020 in India and accordingly operations of the company were totally suspended from that date. The company reopened its office partially with minimum capacity after the lockdown was lifted, considering social distancing norms and other protocols related to COVID-19. The Company's operations and financial results for the year ended March 31, 2021 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India in 2020. Presently, the company is facing many problems such as liquidity crunch etc. to meet its day to day business operational expenses. The management of the Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets based on internal and external information. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions. The impact of COVID-19, including current wave may be different from that estimated as at the date of approval of these standalone financial results. The Management has continuously been evaluating the present evolving pandemic situation and taking all measures to safeguard well-being of all employees and financial health of the Company.
11	Company has reversed the Depreciation charged on Fixed assets of Rs. 40.69 Lacs in first three quarters of the FY 2020-21 , since management is of the view that assets were not utilised during the year.
12	Company has not provided estimated credit loss on outstanding debtors as per IND AS-109 , since management is of the opinion , all the receivables are good and realisable.
13	There is a delay in payment of Annual Listing Fees to the BSE, i.e., where the shares of the Company are listed. In term of circular bearing no. LIST/COMP/OPS/16/2019-2020 Dated June 11, 2019 and Notice bearing no. 20190903-37 dated September 3, 2019; action(s) is initiated against the company by BSE. However, BSE vide its notice no. 20210219-31 dated 19 Feb, 2021has allowed the trading of shares of the company on Trade-for-Trade basis only on the first trading day of every week till the company makes payment of outstanding ALF to the Exchange.

For and on behalf of Board of Directors of  
Interworld Digital Limited



Peeyush Kumar Aggarwal  
Director  
DIN :00090423

Place: New Delhi  
Date : June 29, 2021

**INTERWORLD DIGITAL LIMITED**  
**CIN : L72900DL1995PLC067808**  
**Statement of Assets & Liabilities as on March,31, 2021**

		(Rs. In lacs)	
	Particulars	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
<b>A.</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non Current Assets</b>		
	Property Plant & Equipment	26.06	26.06
	Capital Work in progress	432.23	432.23
	Other Intangible Assets	192.17	192.17
	<b>Non Current Assets</b>	<b>650.46</b>	<b>650.46</b>
	<b>Non Current Financial Assets</b>		
	Investments	147.29	147.29
	Long term Loans and Advances	10,519.01	10,519.01
	Deferred tax assets (Net)	-	-
	<b>Total-Non current assets</b>	<b>11,316.76</b>	<b>11,316.76</b>
<b>2</b>	<b>Current Assets</b>		
	Inventories	-	-
	<b>Current Financial Assets</b>		
	Trade receivables	2,381.17	2,381.97
	Cash & cash equivalents	0.37	0.60
	Loans and advances	41.08	58.03
	Other current financial assets	17.16	18.10
	<b>Total Current Assets</b>	<b>2,439.78</b>	<b>2,458.70</b>
	<b>TOTAL ASSETS</b>	<b>13,756.54</b>	<b>13,775.46</b>
<b>B.</b>	<b>EQUITY &amp; LIABILITIES</b>		
<b>1</b>	<b>EQUITY</b>		
	Equity Share Capital	4,783.77	4,783.77
	Other Equity	7,380.64	7,384.09
	<b>Total Equity</b>	<b>12,164.41</b>	<b>12,167.86</b>
<b>2</b>	<b>LIABILITIES</b>		
	<b>Non-Current Liabilities</b>		
	Non-Current Financial Liabilities	-	-
	Borrowings	110.35	109.60
	Other Financial Liabilities	-	-
	Long Term Provisions	-	-
	Deferred tax liabilities	42.19	42.19
	<b>Total-Non Current Liabilities</b>	<b>152.54</b>	<b>151.79</b>
	<b>Current Liabilities</b>		
	<b>Current Financial Liabilities</b>		
	Borrowings	-	47.55
	Trade payables	1,070.68	1,070.68
	Other current financial liabilities	368.91	337.58
	Short term Provisions	-	-
	<b>Total Current Financial Liabilities</b>	<b>1,439.59</b>	<b>1,455.81</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>13,756.54</b>	<b>13,775.46</b>

For and on behalf of Board of Directors of  
Interworld Digital Limited

Place: New Delhi  
Date : June 29, 2021



Peeyush Kumar Aggarwal  
Director  
DIN :00090423

**INTERWORLD DIGITAL LIMITED**  
CIN: L72900DL1995PLC067808

**Cash flow statement for the year ended 31st March, 2021**

(Amounts in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>A. Cash Flow From Operating Activities:</b>		
Net Profit before tax and extraordinary items	(3.45)	(76.89)
Adjustments for:	-	-
Interest income	-	57.01
Depreciation	0.78	0.91
Interest & Finance Charges	-	-
Preliminary & Share Issue expenses written off	-	-
<b>Operating cash flow before changes in working capital</b>	<b>(2.67)</b>	<b>(18.96)</b>
Cash Flow in Working Capital Activities:		
(Increase)/Decrease in Sundry Debtors	0.80	1.80
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Loans & Advances	17.89	9.52
Increase/(Decrease) in Current Liabilities	(15.46)	8.70
<b>Cash provided by / (used in) operating activities</b>	<b>0.56</b>	<b>1.06</b>
Less: Income Tax Paid	-	-
<b>Net cash from operating activities</b>	<b>0.56</b>	<b>1.06</b>
<b>B. Cash Flow From Investing Activities:</b>		
Sale/(Purchase) of fixed assets	-	-
(Increase)/Decrease in Capital work in progress	-	-
(Increase)/Decrease in investments	-	-
Interest received	-	-
<b>Net cash outflow in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow From Financing Activities:</b>		
Increase in capital	-	-
Proceeds from Long Term Borrowings	-	-
Increase in Share Premium	(0.78)	(0.91)
Interest and Finance Charges	-	-
Repayment of Long Term Borrowings	-	-
Miscellaneous Expenditure	-	-
<b>Net cash inflow from financing activities</b>	<b>(0.78)</b>	<b>(0.91)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year [(A) + (B) + (C)]</b>	<b>(0.22)</b>	<b>0.15</b>
Cash and Cash Equivalents:		
Cash and Cash Equivalent as at 01.04.2020	0.59	0.45
<b>Cash and Cash Equivalent as at 31.03.2021</b>	<b>0.37</b>	<b>0.59</b>

For and on behalf of Board of Directors of  
Interworld Digital Limited

Peeyush Kumar Aggarwal  
Director  
DIN :00090423

Place: New Delhi  
Date: June 29, 2021



**Independent Auditor's Report on Audited Financial Results of the  
Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015**

**TO THE BOARD OF DIRECTORS OF  
INTERWORLD DIGITAL LIMITED**

**Opinion**

We have audited the accompanying standalone Audited Financial results of Interworld Digital Limited for the quarter and year ended 31<sup>st</sup> March, 2021 and the year to date results for the period from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit/loss and other comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March, 2021 as well as the year to date results for the period from 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis is laid on the following matters:**

1. The past Managing Director, Mr Manmohan Gupta, had fraudulently shifted the entire business of the company including its Intellectual Property, to his own entity. Consequently, there is no revenue from operations during the year under review. The Company is making efforts to get back its business.



2. The Company has increased its authorised capital from Rs. 21 Crores to Rs. 70 Crores during the FY 2010-11, ROC Fees of Rs. 55.97 lacs towards the same stands payable. No provision has been made for any interest or fines payable thereon.
3. Statutory dues of Service Tax / TDS / Professional Tax aggregating to Rs. 1.91 crores are outstanding since F.Y. 2009-10 ; Service Tax returns have not been filed from F.Y. 2011-12 onwards.  
No provision has been made for interest / penalties payable on such default.
4. Company has not provided expected credit loss on outstanding debtors as per IND AS-109.

Our opinion is modified in respect of this matter.

#### **Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 SAs 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 standalone financial results.



**NemaniGarg Agarwal & Co.**  
*Chartered Accountants*

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, 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.
- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- iv. Conclude on the appropriateness of the Board of Directors' 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 financial results 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.
- v. Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

**Other Matter**

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For M/s. NemaniGarg Agarwal & Co.,  
Chartered Accountants  
FRN: 010192N



Shashi Kant Nemani  
(Partner)  
(Membership No. 010192N)

Place : New Delhi

Date: 29.06.2021

1517, Devika Towers | 6, Nehru Place | New Delhi – 110.019 | VDI N: 2103722-AAAAFE7130  
email | [sknemani@sknemani.com](mailto:sknemani@sknemani.com) | [nemani61@gmail.com](mailto:nemani61@gmail.com)  
Phones | 0120-2770538/40 | 011-26448033 | +91-9811026144

## ANNEXURE – I

**Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results - (Standalone and Consolidated separately)**

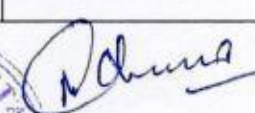

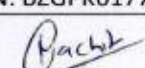

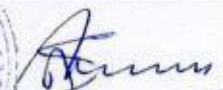

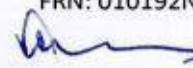

**Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2021**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Amount in Lakhs

I	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	17.73	-
	2	Total Expenditure	21.18	76.89
	3	Net Profit / (Loss)(After Tax)	(3.45)	(16.79)
	4	Earnings Per Share	(0.00)	(0.00)
	5	Total Assets	13,756.54	13,775.46
	6	Total Liabilities	13,756.54	13,775.46
	7	Net Worth	12,164.41	12,167.91
	8	Any other financial item(s) felt appropriate by the management	-	-
II		<b>Audit Qualification (each audit qualification separately)</b>		
	a	<b>Details of Audit Qualification:</b> <ol style="list-style-type: none"> <li>The past Managing Director, Mr Manmohan Gupta, had fraudulently shifted the entire business of the company including its Intellectual Property, to his own entity. Consequently, there is no revenue from operations during the year under review. The Company is making efforts to get back its business.</li> <li>The Company has increased its authorised capital from Rs. 21 Crores to Rs. 70 Crores during the FY 2010-11, ROC Fees of Rs. 55.97 lacs towards the same stands payable. No provision has been made for any interest or fines payable thereon.</li> <li>Statutory dues of service tax / TDS / Professional Tax aggregating to Rs. 1.9 crores are outstanding since F.Y. 2009-10 ; service tax returns have not been filed from FY 2011-12 onwards.</li> </ol> <p>No provision has been made for interest / penalties payable on such default.</p> <p>4 . Company has not provided expected credit loss on outstanding debtors as per IND AS-109.</p>		
	b	<b>Type of Audit Qualification : Qualified / Disclaimer of Opinion / Adverse Opinion:</b>  Qualified		
	c	<b>Frequency of Qualification(s) : Whether appeared for first time / repetitive / since how long continuing</b> Repetitive/Since 2014-2015		
	d	<b>For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:</b> <ol style="list-style-type: none"> <li>The past MD Mr Manmohan Gupta, had fraudulently siphoned off the entire business of the company including its Intellectual Property to the other entities formed by him. The Board had constituted an Investigation Committee to investigate into the matter of closure of Mumbai Office of the Company and recovery of Company's business and assets.</li> </ol>		



		<p>2. The Company has increased its authorised capital from Rs. 21 Crores to Rs. 70 Crores during the period from F.Y. 2010-11. However, due to financial constraints and technical problems the company could not file Form 5 with ROC for increase in its authorised share capital. With the advent of the Companies Act, 2013 which came into effect from 01<sup>st</sup> April, 2014, the schedule of fees applicable w.r.t. increase in Authorised capital has been revised and increased. The Schedule of fees as per the Companies Act, 2013 has been made applicable and payable on the increased authorised share capital which the Company had increased prior to the applicability of Companies Act, 2013. Therefore, the company had filed the writ petition in the Hon'ble High Court of Delhi challenging the applicability of provisions prescribed under Para 3 of Table B under Registration of Offices and Fees Rules, 2014 vide diary no. 159963 dated 30/05/2016. The company has shown the fees and interest payable in contingent liabilities forming part of the Balance Sheet.</p> <p>3. As regards Auditor observation that the Statutory dues of Rs.191.45 lacs are still payable, we hereby state that our Company has already provided for the amount payable towards Service Tax. The company has shown the dues and interest payable in contingent liabilities forming part of the Balance Sheet.. Further we wish to state that the management of the Company is making necessary efforts to arrange the funds required to repay the same.</p> <p>4. Company has not provided estimated credit loss on outstanding debtors as per IND AS-109, since management is of the opinion , all the receivables are good and realisable.</p>
e		<b>For Audit Qualification(s) where the impact is not quantified by the auditor: N.A.</b>
		<b>(i) Management's estimation on the impact of audit qualification:</b>
		<b>(ii) If Management is unable to estimate the impact, reasons for the same:</b>
		<b>(iii) Auditor's comments on (i) or (ii) above</b>
III	Signatories	
	Chief Executive Officer	  <b>Manoj Kumar</b> <b>PAN: BZGPK6177A</b>
	Chief Financial Officer	  <b>Rachit Garg</b> <b>PAN: AZSPG7226K</b>
	Audit Committee Chairman	  <b>Ajay Sharma</b> <b>DIN 03344008</b>
	Statutory Auditor	  <b>For M/s. Nemani Garg Agarwal &amp; Co.,</b> <b>Chartered Accountants</b> <b>FRN: 010192N</b> <b>Shashi Kant Nemani</b> <b>(Partner)</b> <b>(Membership No. 010192N)</b> <b>Place : New Delhi</b>
	Place:	New Delhi
	Date:	29 <sup>th</sup> June, 2021