



MOHOTA INDUSTRIES LIMITED

(Formerly Known as 'The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.')

Corporate Office: Post Box No.1, Hinganghat, Dist. Wardha, Maharashtra - 442 301

Ph: 07153-244282, 244039 FAX: 244753 Web: www.mohotaindustries.com E-mail: info@rsrmm.com CIN: L99999MH1946PLC005261



ISO 9001 CERTIFIED

Dtd: 30/05/2022

<p>To, The Manager (Listing), BSE Ltd., Rotunda Building, 1st Floor, Dalal Street, Fort, Mumbai - 440 001</p> <p>Code: 530047</p>	<p>To, The Manager (Listing), National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051</p> <p>Code: MOHOTAIND</p>
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Sub: Outcome of Resolution Professional Chaired Meeting held on 30th May 2022.

Ref : Disclosure pursuant to Regulation 30 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

Dear Sir/Madam,

Pursuant to Regulation 30 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed herewith the following as approved and taken on record by CA Ashish Saoji, Resolution Professional of the company in the meeting held on 30th May, 2022

1. Audited Financial Result together with Audited Statement of Assets and Liabilities and Cash Flow Statements (Standalone) of the Company for the Fourth Quarter and Financial Year 2021-22 ended 31st March, 2022.
2. Report of the Statutory Auditors of the Company for the Financial Year ended on 31st March, 2022 together with Declaration on Modified Opinion of the Company.

You are requested to place the aforesaid information on record.

Thanking you,

FOR MOHOTA INDUSTRIES LIMITED

(A Company under Corporate Insolvency Resolution Process by NCLT order dated 30 August, 2021)



CA Ashish Saoji
Resolution Professional
Regn.No.IBBI/IPA-001/IP-P01268/2018-2019/12150



Nagpur : 3 & 4, Sai Sagar, Hingna Road, Nagpur - 440 036. Tel.: +91 712- 2236686, 2233929 E-mail : bps.chartereds@gmail.com
Auditor's Report on the financial results of Mohota Industries Limited for the quarter and year ended March 31, 2022 pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations")

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF **MOHOTA INDUSTRIES LIMITED**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying financial results of **MOHOTA INDUSTRIES LIMITED** (the "Company"), for the year ended March 31, 2022, 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 financial results:

- i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) 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 Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended and net loss and other comprehensive losses and other financial information for the year ended March 31, 2022 respectively.

Basis for Qualified Opinion

- i. The Company has invested Rs. 15.52 crores in a partnership firm **M/s. K. C. Mohunta & Brother** which is shown as Non-current Investment in the Audited Financial Statements. The financial statements of the said partnership firm for the year ended March 31, 2022 were not available; hence the impact on the profit/ (loss) and corresponding impact on the carrying amount of investment is not ascertainable.
- ii. The Company has not performed impairment testing with respect to the investment in **M/s. K. C. Mohunta & Brother**, a partnership firm, as required by Indian Accounting Standard (Ind AS 36) 'Impairment of assets'; hence the impact on the carrying amount of investment is not ascertainable as on 31st March, 2022.
- iii. Balances of trade receivables, trade payables, loans, advances, deposits given / taken are subject to confirmations, reconciliations and consequent adjustments. Similarly, Deposits with Government Revenue Authorities are subject to confirmations and full recoverability is not ascertainable.



- iv. Grant receivable from Government under PSI 2007 Mega Project Incentive Scheme is subject to confirmation to eligibility of the Auditee and full recoverability of said grant is not ascertainable owing to defunct operations.
- v. The cost of interest on the term loans, working capital loans and overdue payables to MSME under the provisions of MSME Act is recognised upto 30/08/2021 as the claims with COC were filed by the creditors upto 30/08/2021 only.
- vi. In the absence of Net Realisable Value of the stores, spares, consumables and raw materials, the inventory is valued at Cost basis. Also, the further commercial usability of all these items in production process cannot be ascertained.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(9) of the Companies Act, 2013 (*the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for Audit of the 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 Accountant of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 11 to the Financial Results that the Company has incurred net loss during the year and the current liabilities have exceeded the current assets. The Company was working on Job work Basis till the month of May 2021 after which the electricity supply was disconnected by the MSEDCL on account of default in payment of electricity bills. However, the said connection was resumed in the month of March, 2022 as per the directives of the NCLT. These events indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

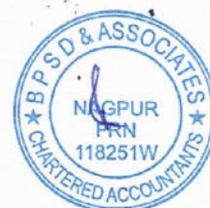
Emphasis of Matters

We draw attention to the following:

Note no. 9 of the Financial Results as regard to the claim from financial creditors, operational creditors and government departments along with the Labour and employees of the company in the financial results. Our opinion is not modified in this matter.

Note no. 10 of the financial results relating to the exception item reported in the financial result to the tune of Rs. 54.79 lakhs.

Note no. 13 of the financial results relating to the legal case filed by the relative of the suspended director of the company in relation to the land in the name of the company. However, till the conclusion of the legal case, the impact on the financial results could not be estimated.



Note no. 15 of the financial results relating to the appointment of transaction auditor for carrying out transaction audit of the affairs of the company. The audit is underway and the final report is awaited till the date of this report.

Note. no. 16 of the financial results relating to treatment of right of use in the financial results in terms of Ind AS 116 – Leases.

Also, we draw attention to the fact that the company has defaulted in complying with the provisions of section 138(1) of the Companies Act, 2013 which requires the company to appoint an Internal Auditor.

However, our opinion is not modified in these matters.

Management's Responsibilities for the Financial Results

The financial results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of 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/loss and other financial information in accordance with the Indian Accounting Standard 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 and Regulation 52 read with Regulation 63(2) of the listing Regulations.

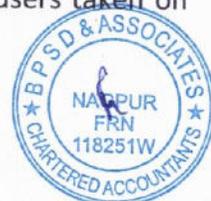
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Results

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

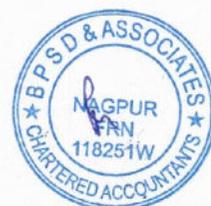


As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- 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 with reference to financial statements 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 the Board of Directors.
- 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.
- Evaluate the overall presentation, structure and content of the 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 Matters

The financial results include the results for the quarter ended March 31, 2022 and quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



CA ROHIT AHERRAO

Partner

Membership No. 131647

UDIN: 22131647AJXQLM6241

For and on Behalf of

B P S D & Associates

Chartered Accountants

FRN: 118251W

Nagpur, dated the

30th May, 2022



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AUDITED FINANCIAL RESULTS

FOR THE YEAR ENDED 31ST MARCH, 2022

PART - I

(Rs. In Lakhs)

	PARTICULARS	For the Quarter ended			For the Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	Un-Audited	Audited	Audited	Audited
01.	Income from Operations					
	(a) Revenue from Operations	-	0.50	248.02	109.62	787.17
	(b) Other Income	4.63	4.35	45.42	17.64	68.31
	Total Revenue	4.63	4.85	293.44	127.26	855.48
02.	Expenses					
	(a) Cost of Materials Consumed	(54.91)	-	(26.38)	-	(0.59)
	(b) Purchases of Stock-in-Trade	-	-	-	-	-
	(c) Changes in inventories of finished Goods, Work-in-Progress & Stock-in-Trade	-	-	(5.82)	8.00	134.94
	(d) Employee Benefits Expense.	(7.95)	0.44	290.01	195.50	920.74
	(e) Finance Cost	(190.60)	210.74	234.76	438.17	853.20
	(f) Depreciation and Amortisation Expense	73.10	74.80	74.49	297.13	302.86
	(g) Other Expenses	22.55	3.12	153.19	98.86	398.47
	Total Expenses :-	(157.81)	289.10	720.25	1,037.66	2,609.62
03.	Profit/(Loss) before Exceptional Items and Tax (1-2)	162.44	(284.25)	(426.81)	(910.40)	(1,754.14)
04.	Exceptional Items	(54.79)	-	-	(54.79)	-
05.	Profit/(Loss) Before Tax (3-4)	107.65	(284.25)	(426.81)	(965.19)	(1,754.14)
06.	Tax Expenses					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
	Total Tax	-	-	-	-	-
07.	Net Profit/(Loss) for the year (5-6)	107.65	(284.25)	(426.81)	(965.19)	(1,754.14)
08.	Other Comprehensive Income					
	(i) Item that will not be reclassified to Profit or Loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-
	Other Comprehensive Income	-	-	-	-	-
09.	Total Comprehensive Income for the year	107.65	(284.25)	(426.81)	(965.19)	(1,754.14)
10.	Paid-up Equity Share Capital (Face Value of Rs.10/- Per Shares)	1,470.71	1,470.71	1,470.71	1,470.71	1,470.71
11.	Earning Per Share (EPS) of Rs.10/- each Basic & Diluted.	0.73	(1.93)	(2.90)	(6.56)	(11.93)

Note: 1) The company has been admitted into Corporate Insolvency Resolution Process vide order of Hon'ble NCLT, Mumbai Bench in C.P. (IB)/66(MB)2020 dated 30th August 2021 and Mr. Mahesh Kumar Gupta was appointed as the Interim Resolution Professional. Further to the resolution passed by the committee of creditors on 8th December 2021 and order passed by the Hon'ble NCLT, Mumbai Bench dated 23rd March 2022, CA Ashish Saoji has been appointed as the resolution professional (RP) of the company. The Resolution Professional was not at the helm of affairs during FY 2021-22 and has taken charge of the company as Resolution Professional w.e.f. 28th April 2022. The above Audited Results have been reviewed by the Resolution Professional at its meeting held on 30th May, 2022 as the current Audit Committee and the Board of Directors stands suspended by the order of the NCLT.

2) The comments from the Resolution Professional are strictly based on the workings and observations since the date of taking charge of the company.



- 3) The Company is exclusively in the Textile Business Segment, hence segment reporting is not applicable as per Ind AS-108.
- 4) As required under Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Audit by the Statutory Auditors has been completed for the quarter & period ended 31st March, 2022, and the Report is forwarded to Stock Exchanges.
- 5) The Company has invested Rs. 15.52 crores in a partnership firm which is shown as Non-current Investment in the Audited Financial Statements. The financial statements of the said partnership firm since the year ended March 31, 2019 till date were not available; hence the impact on the profit/ (loss) and corresponding impact on the carrying amount of investment is not ascertainable. The RP has written to the suspended directors of the company, other partners of the firm and the last known auditor seeking information about the firm and the status of investment by the company. However, no satisfactory response has been received from suspended directors and reply from the other partners and last known auditor is awaited on the questionnaires sent by the RP.
- 6) The Company has not performed impairment testing with respect to the investment in a partnership firm as required by Indian Accounting Standard (Ind AS 36) 'Impairment of assets'; hence the impact on the carrying amount of investment is not ascertainable as on 31st March, 2022.
- 7) Balances of trade receivables, trade payables, loans, advances, deposits given / taken and other current assets are subject to confirmations, reconciliations and consequent adjustments. The RP has written letters to the debtors and advance receivable for reasons for long pendency and recovery of the amounts receivable from them. A few of the letters have been returned undelivered and no reply has been received from the debtors to whom the letters were delivered.
- 8) The realisation of incentive receivable under Packaged Scheme of Incentives (PSI) is subject to reconciliation. The RP has contacted the consultant of the company for the same and confirmed that the amount that may be recovered is highly uncertain. The detailed working on the same is awaited.
- 9) The RP has received claims from Financial creditors, operational creditors and government departments along with the labour and employees of the company.
 Financial creditors - Out of claims received of INR 88.66 Cr from 11 lenders, INR 85.22 Cr has been admitted
 Operational creditors - Out of 76 claims received for INR 32.43 Cr, INR 22.93 Cr has been admitted
 Government dues - Out of 3 claims received for INR 3.76 Cr, INR 3.73 Cr has been admitted
 Workmen/ employee claims - Claims have been received for INR 141 Cr. Based on preliminary study the claim amount appears to be on higher side on which the RP has written to the President and Secretary of the labour union of the company to rectify the deficiencies in the claim and requested to depute a committee to reconcile the amount claimed.

The exceptional item of Rs. 54.79 lakhs relates to consumption of raw material and consumables for 10) the FY 2020-21 but accounted for in FY 2021-22 as prior period expenses.

The cost of interest on the term loans, working capital loans and overdue payables to MSME under 11) the provisions of MSME Act is recognised upto 30/08/2021 as the claims with COC were filed by the creditors upto 30/08/2021 only.

In the absence of Net Realisable Value of the stores, spares, consumables and raw materials, the 12) inventory is valued at Cost basis. Also, the further commercial usability of all these items in production process cannot be ascertained. The auditor and RP could not conduct the physical inspection of inventory at the factory as on power was disconnected. Further, the RP was not in charge of the factory on 31st March 2022. Since there is lack of information on the inventory, no comments can be provided on the same.

land parcels bearing Plot No 2,3/5 and plot no 7 in the name of the company are Nazul lands for 13) which the lease has expired in 2008. Additionally, a relative of the suspended directors have filed a civil suit challenging the ownership of the land at plot no. 2/3, 5 and plot no 7 belonging to the company



- 14) The Company has incurred net loss during the year and the current liabilities have exceeded the current assets. The Company was working on Job work Basis till the month of May 2021 after which the electricity supply was disconnected by the MSEDCL on account of default in payment of electricity bills. However, the said connection was resumed in the month of March, 2022 as per the directives of the NCLT. Further, the company has been leased out again by the IRP on job work basis and the production should resume in the month of June 2022.

- 15) Pursuant to the resolution passed in the CoC meeting, transaction audit into the affairs of the company is underway. The scope of the audit includes but is not restricted to investments, debtors and the inventory of the company along with preferential and fraudulent transactions (if any) as per the IBC, 2016. The audit process is underway and the final report is awaited.

- 16) The Company has adopted modified simplified retrospective approach under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly the Company has recognized 'Right of use' assets of Rs. 2.51 lakhs and present value of lease liabilities of Rs. 2.51 lakhs as on April 01, 2019. In the statement of profit and loss for the current period, instead of rent expenses (as accounted under previous periods), amortization of right of use has been accounted under depreciation and amortization expenses and unwinding of discount on lease liabilities has been accounted under finance cost. Accordingly, current period's figures are not comparable with previous periods to that extent. The net impact of adopting the standard on the results and earnings per share is not material.

- 17) The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the figures for the third quarter of the relevant financial year.

- 18) Previous periods' figures have been regrouped wherever necessary to conform to this period's classification.



PLACE: NAGPUR
DATE: 30th May, 2022

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By Order of the Board
For, MOHOTA INDUSTRIES LIMITED

CA Ashish Saoji
Resolution Professional

Resolution Professional vide order of NCLT Dt.23.03.2022
Regn.No.IBBI/IPA-001/IP-P01268/2018-2019/12150



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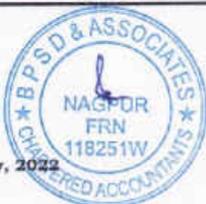
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STATEMENT OF ASSETS AND LIABILITIES As at 31st March, 2022 - "ANNEXURE IX"

(Rs. in Lakhs)

Particulars	As at Current Year ended 31st March, 2022	As at Previous Year ended 31st March, 2021
	Audited	Audited
Assets		
Non-current Assets		
(a) Property, Plant & Equipments	17,558.68	17,859.22
(b) Capital work-in-progress		
(c) Right of Use Assets	2.05	2.21
(d) Financial Assets		
(i) Investments	1,554.32	1,554.32
(ii) Others	473.46	460.19
(e) Income Tax Assets (Net)	588.25	586.26
(f) Other Non-Current Assets	91.02	90.28
Total Non-current Assets	20,267.78	20,552.48
Current Assets		
(a) Inventories	115.27	178.56
(b) Financial Assets		
(i) Trade Receivables	5,784.47	5,823.99
(ii) Cash & Cash equivalents	86.36	32.97
(iii) Bank Balances other than (ii)	47.85	12.58
(iv) Loans	8.38	0.16
(v) Others	-	-
(c) Current Tax Assets (Net)	-	-
(d) Other Current Assets	2,074.40	2,590.80
Total Current Assets	8,116.73	8,639.06
Total Assets	28,384.51	29,191.54
Equity and Liabilities		
Equity		
(a) Equity Share Capital	1,470.71	1,470.71
(b) Other Equity	13,491.87	14,457.06
Total Equity	14,962.58	15,927.77
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,702.42	1,615.25
(ii) Lease liabilities	2.25	2.32
(iii) Other financial liabilities	221.11	242.81
(b) Provisions	464.28	373.88
(c) Deferred tax liabilities (Net)	-	-
Total Non-current liabilities	2,390.06	2,234.26
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,941.53	6,641.37
(ii) Lease Liabilities	0.07	0.07
(iii) Trade Payables		
(iv) Total outstanding dues of micro & small enterprises	122.15	122.15
(b) Total outstanding dues other than (iii)(a) above	2,892.74	2,901.75
(iv) Other financial liabilities	503.13	405.74
(b) Other current liabilities	144.29	440.07
(c) Provisions	-	90.40
(c) Current Tax Liabilities (Net)	427.96	427.96
Total -current liabilities	11,031.87	11,029.51
Total Liabilities	13,421.93	13,263.77
Total Equity & Liabilities	28,384.51	29,191.54

PLACE : NAGPUR
 DATE : 30th May, 2022



By Order of the Board
 For, MOHOTA INDUSTRIES LIMITED

(Signature)
 CA Ashish Saoji

Resolution Professional vide order of NCLT Dt.23.03.2022
 Regn.No.IBBI/IPA-001/IP-P01268/2018-2019/12150



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STATEMENT OF CASH FLOW For the Year ended 31st March, 2022

(Rs.in Lakhs)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before extraordinary items and tax	(965.19)	(1,754.14)	
Adjustments for :			
Depreciation	297.13	302.86	
Interest Expenses	370.91	796.42	
Interest Income	(17.73)	(21.63)	
(Profit)/Loss on Sale of Investment	-	-	
Dividend income	-	-	
	650.31	1,077.65	
Operating profit before working capital changes	(314.88)	(676.49)	
Changes in working capital:			
Adjustments for :			
Decrease/(Increase) in Trade and other receivables	39.52	79.62	
Decrease/(Increase) in Inventories	63.30	178.04	
Decrease/(Increase) in Trade & Other Payable	(9.01)	(138.11)	
Decrease/(Increase) in Other Current Assets	310.25	13.74	
Decrease/(Increase) in Other Current Liabilities	(220.16)	368.78	
	183.90	502.06	
Direct Taxes Refund/(Paid)	(1.99)	(11.97)	
Net cash flow from / (used in) operating activities	(A)	(132.97)	(186.40)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	-	0.00	
Sale of Fixed Assets (Net)	3.56	18.80	
Sale of Investments	-	-	
Interest Received	17.73	21.63	
Dividend received	-	-	
Proceed From PSI 2007 Mega Project	183.92	183.92	
Net cash (used in) investing activities	(B)	205.21	224.36
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) in Share Capital / Reserve & Surplus	-	(0.00)	
Increase/(Decrease) in Deferred Tax Laibilities	-	-	
Proceeds from Long-Term/(Short Term) borrowings	387.32	783.59	
Interest Paid on Term Loan	(14.08)	(33.73)	
Interest on Working Capital	(356.83)	(762.69)	
Interim Dividend paid	-	-	
Net from / (used in) financing activities	(C)	16.41	(12.83)
Net increase / (decrease) in Cash and cash equivalents	(A+B+C)	88.65	25.13
Opening Balance of Cash and cash equivalents		45.55	20.42
Closing Balance of Cash and cash equivalents		134.20	45.55



PLACE : NAGPUR
 DATE : 30th May, 2022



By Order of the Board
 For, MOHOTA INDUSTRIES LIMITED

(Signature)
 CA Ashish Saoji

Resolution Professional vide order of NCLT Dt.23.03.2022
 Regn.No.IBBI/PA-001/IP-P01268/2018-2019/12150

ANNEXURE I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rs. In lakhs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	127.26	127.26
	2.	Total Expenditure	1037.66	1037.66
	3.	Net Profit/(Loss)	(965.19)	(965.19)
	4.	Earnings Per Share	(6.56)	(6.56)
	5.	Total Assets	28,384.51	28,384.51
	6.	Total Liabilities	28,384.51	28,384.51
	7.	Net Worth	14,962.58	14,962.58
	8.	Any other financial item(s)(as felt appropriate by the management)	-	-
II. <u>Audit Qualification (each audit qualification separately):</u>				
<p>a. Details of Audit Qualification:</p> <p>i. The Company has invested Rs. 15.52 crores in a partnership firm which is shown as Non-current Investment in the Audited Financial Statements. The financial statements of the said partnership firm for the year ended March 31, 2022 were not available; hence the impact on the profit/ (loss) and corresponding impact on the carrying amount of investment is not ascertainable.</p> <p>ii. The Company has not performed impairment testing with respect to the investment in a partnership firm as required by Indian Accounting Standard (Ind AS 36) 'Impairment of assets'; hence the impact on the carrying amount of investment is not ascertainable as on 31st March, 2022.</p> <p>iii. Balances of trade receivables, trade payables, loans, advances, deposits given / taken are subject to confirmations, reconciliations and consequent adjustments. Similarly, Deposits with Government Revenue Authorities are subject to confirmations and full recoverability is not ascertainable.</p> <p>iv. Grant receivable from Government under PSI 2007 Mega Project Incentive Scheme is subject to confirmations to eligibility of the Auditee and full recoverability of said grant is not ascertainable owing to defunct operations.</p> <p>v. The cost of interest on the term loans, working capital loans and overdue payables to MSME under the provisions of MSME Act is recognised up to 30/08/2021 as the claims with COC were filed by the creditors upto 30/08/2021 only.</p>				



	vi. In the absence of Net Realisable Value of the stores, spares, consumables and raw materials, the inventory is valued at Cost basis. Also, the further commercial use of all these items in production process cannot be ascertained.
	b. Type of Audit Qualification: Qualified Opinion.
	c. Frequency of qualification: Appeared Fourth Time.
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The impact of Qualifications is not quantifiable.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation the impact of audit qualification: The impact of Qualifications is not quantifiable.
	(ii) If management is unable to estimate the impact, reasons for the same: The company has been admitted into Corporate Insolvency Resolution Process vide order of Hon'ble NCLT, Mumbai Bench in C.P. (IB)/66(MB)2020 dated 30th August 2021 and Mr. Mahesh Kumar Gupta was appointed as the Interim Resolution Professional. Further to the resolution passed by the committee of creditors on 8th December 2021 and order passed by the Hon'ble NCLT, Mumbai Bench dated 23rd March 2022, CA Ashish Saoji has been appointed as the resolution professional (RP) of the company. The Resolution Professional was not at the helm of affairs during FY 2021-22 and has taken charge of the company as Resolution Professional w.e.f. 28th April 2022.
	a) Submission on qualification a(i) and (ii): The financial statements of the said partnership firm since the year ended March 31, 2019 till date were not available; hence the impact on the profit/ (loss) and corresponding impact on the carrying amount of investment is not ascertainable. The RP has written to the suspended directors of the company, other partner of the firm and the last known auditor seeking information about the firm and the status of investment by the company. However, no satisfactory response has been received from suspended directors and reply from the other partner and last known auditor is awaited on the questionnaires sent by the RP.
	b) Submission on qualification a(iii): The RP has written letters to the debtors and advance recoverable or reasons for long pendency and recovery of the amounts receivable from them. A few of the letters have been returned undelivered and no reply has been received from the debtors to whom the letters were delivered.
	c) Submission on qualification a(iv): The realisation of incentive receivable under Packaged Scheme of Incentives (PSI) is subject to reconciliation. The RP has contacted the consultant of the company for the same and confirmed that the amount that may be recovered is highly uncertain. The detailed working on the same is awaited.
	d) Submission on qualification a(v): The RP has received claims as on 30 th August 2021 from Financial creditors, operational creditors and government departments along with the labour and employees of the company. Financial creditors - Out of claims received of INR 88.66 Cr from 11 lenders, INR 85.22 Cr has been admitted Operational creditors - Out of 76 claims received for INR 32.43 Cr, INR 22.93 Cr has been admitted Government dues - Out of 3 claims received for INR 3.76 Cr, INR 3.73 Cr has been admitted Workmen/ employee claims - Claims have been received for INR 141 Cr. Based on preliminary study the claim amount appears to be on higher side on which the RP has written to the President and Secretary of the labour union of the company to rectify the deficiencies in the claim and requested to depute a committee to reconcile the amount claimed.



e) Submission on qualification a(vi): We understand that the auditor and IRP could not conduct the physical inspection of inventory at the factory as on power was disconnected. Further, the RP was not in charge of the factory on 31st March 2022. Since there is lack of information on the inventory, no comments can be provided on the same.

(iii) Auditors' Comments on (i) or (ii) above: Refer to note no II (a) above.

III.	<u>Signatories:</u>	   For B P S D & ASSOCIATES CHARTERED ACCOUNTANTS  ROHIT AHERRAO PARTNER MEMB No. 131647
	<ul style="list-style-type: none">Mukesh B. Mahajan (CFO) 	
	<ul style="list-style-type: none">CA Ashish Saoji Resolution Professional 	
	<ul style="list-style-type: none">M/s. BPSD AND ASSOCIAES (Statutory Auditor) 	
	Place: Nagpur Date: 30th May 2022	