

Date: 22.07.2023

BSE Limited
P. J. Towers, Dalal Street
Mumbai-400 001.

Dear Sir/Madam,

Sub: Outcome of Board Meeting under Regulation 30 read with 33 (3) (c) of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015.

Unit: Vijay Textiles Limited (Script Code: 530151).

With reference to the subject cited, this is to inform the Exchange that at the Board meeting of Vijay Textiles Limited held on Saturday, the 22nd day of July, 2023 at 03.00 P.M. through Video Conference (VC), the following were duly considered and approved by the Board.

1. Audited Financial Results and Auditors Report for the Quarter & Financial Year ended 31st March, 2023.
2. Statement of Impact of Auditor Qualification on Financial Results of the Company for the Financial Year ended 31st March, 2023.
3. Appointment of Internal Auditors of the Company for the Financial Year 2023-2024.
4. Appointment of Secretarial Auditors of the Company for the Financial Year 2023-2024.
5. Appointment of Cost Auditors of the Company for the Financial Year 2023-2024.
6. Appointment of Smt. Payal Bafna (DIN: 09075302) as Additional Director (Non-Executive Independent Director) of the Company w.e.f. 22.07.2023.
7. Appointment of Shri. Ravi Prasad Muthyam (DIN: 06603818) as Additional Director (Non-Executive Independent Director) of the Company w.e.f. 22.07.2023.
8. Appointment of Shri. Yogesh Dayma as Company Secretary and Compliance officer of the Company w.e.f. 22.07.2023.



9. Relieving of Smt. Alka Zanwar (DIN: 07577453) and Shri. Vikram Penmetsa (DIN: 07577396) as Independent Directors of the Company upon expiry of their tenure w.e.f. 28.07.2023.

10. Reconstitution of Committees of the Company.

The meeting of the Board of Directors commenced was concluded at 6.00 P.M

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,

For VIJAY TEXTILES LIMITED



RAKESH MALHOTRA
WHOLE-TIME DIRECTOR & CFO
(DIN: 05242639)



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
31st MARCH, 2023

Sl. No	Particulars	Quarter Ended			Rs. In Lakhs	
		31.03.23		31.12.22	Year Ended	
		Audited	Un-Audited	Audited	31.03.23 Audited	31.03.22 Audited
1.	INCOME:					
a)	Revenue From Operations	395.78	986.93	573.41	2573.02	2592.81
b)	Other Income	31.57	21.32	59.71	53.51	715.01
	Total Income from operations	427.35	1008.25	633.12	2626.53	3307.82
2	EXPENSES					
a)	Cost of materials consumed	57.17	83.85	90.67	345.46	544.40
b)	Purchase of Stock-in-trade	36.32	35.64	68.67	218.42	254.13
c)	Packing material consumed	0.33	1.34	0.47	7.89	19.86
d)	Changes in inventories of finished goods work-in-progress and stock-in-trade	(119.73)	671.31	(92.36)	524.83	357.47
e)	Employee benefits expense	125.99	109.84	166.05	459.85	592.80
f)	Finance costs	59.74	79.90	390.71	774.05	1465.23
g)	Depreciation and amortization expense	117.76	126.45	131.80	502.54	600.35
h)	Other expenses					
i)	Manufacturing expenses	48.22	92.75	123.53	359.34	578.80
ii)	Other Expenses	113.65	73.93	265.74	340.14	553.36
	Total Expenses	439.45	1275.01	1145.28	3532.52	4950.13
3	Profit/(loss) before exceptional and extraordinary items and tax (1-2)	(12.10)	(266.76)	(512.16)	(905.99)	(1642.31)
4	Exceptional Items	-	-	-	-	-
5	Profit/(loss) before extraordinary items and tax (3-4)	(12.10)	(266.76)	(512.16)	(905.99)	(1642.31)
6	Extraordinary items	-	-	-	-	-
7	Profit/(loss) before taxation (5-6)	(12.10)	(266.76)	(512.16)	(905.99)	(1642.31)
8	Income Tax expenses					
	(a) Deferred tax Charge/ (Credit)	(56.61)	(76.98)	(76.74)	(253.47)	(490.91)
	Total tax expenses	(56.61)	(76.98)	(76.74)	(253.47)	(490.91)
9	Profit/(Loss) for the period (7-8)	44.51	(189.78)	(435.42)	(652.52)	(1151.40)
10	Other Comprehensive Income					
	(i) Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-
	Re-measurement of the net defined benefit liability/assets	13.59	-	18.57	13.59	18.57
	Deferred Tax	(3.42)	-	(4.67)	(3.42)	(4.67)
	(ii) Items that will be reclassified subsequently to profit or loss		-	-	-	-
	Total other comprehensive income, net of taxes	10.17	-	13.90	10.17	13.90
11	Total comprehensive income for the period (9+10)	54.68	(189.78)	(421.52)	(642.35)	(1137.50)
12	Earnings per Equity Share					
a)	Basic(Rs.)	0.24	(1.04)	(2.38)	(3.56)	(6.29)
b)	Diluted (Rs.)	0.24	(1.04)	(2.38)	(3.56)	(6.29)



Statement of Assets and Liabilities

Rs. In Lakhs

S.NO	Particulars	As at 31 st March,2023	As at 31 st March,2022
		Audited	Audited
	ASSETS		
	NON-CURRENT ASSETS		
(a)	Property, plant and equipment	4784.25	5138.15
(b)	Capital work-in-progress	28.55	18.88
(c)	Right of use of asset	379.86	562.82
(d)	Intangible assets	0.76	0.76
(e)	Deferred tax liabilities (net)	1015.36	765.31
(f)	Other non-current assets	215.91	215.91
	TOTAL NON- CURRENT ASSETS	6424.69	6701.83
	CURRENT ASSETS		
(a)	Inventories	10361.58	11024.54
(b)	Financial Assets		
	(i) Trade receivables	15688.47	15281.61
	(ii) Cash and cash equivalents	726.41	127.88
	(iii) Bank balances other than (ii) above	16.69	15.84
	(iv) Other financial assets	1556.92	1515.14
(c)	Other current assets	500.41	500.43
	TOTAL CURRENT ASSETS	28850.48	28465.44
	TOTAL ASSETS	35275.17	35167.27
	EQUITY AND LIABILITIES		
	EQUITY		
(a)	Equity share capital	1830.53	1830.53
(b)	Other equity	5014.77	5657.12
	TOTAL EQUITY	6845.30	7487.65
	LIABILITIES		
	NON-CURRENT LIABILITIES		
(a)	Financial Liabilities		
	(i) Borrowings	14841.62	14669.28
	(ia) Lease Liability	470.60	634.25
	TOTAL NON - CURRENT LIABILITIES	15312.22	15303.53
	CURRENT LIABILITIES		
(a)	Financial Liabilities		
	(i) Borrowings	6199.94	6379.88
	(ia) Lease Liability	49.57	73.25
	(ii) Trade payables	137.57	9.10
	Dues to micro and small enterprises	2121.87	2060.69
	Dues to others	3811.98	3307.55
	(iii) Other financial liabilities	342.72	77.91
(b)	Other current liabilities	454.00	467.71
(c)	Provisions	13117.65	12676.09
	TOTAL CURRENT LIABILITIES	35275.17	35167.27
	TOTAL EQUITY AND LIABILITIES		



Particulars	For the year ended	For the year ended
	31.03.2023	31.03.2022
	(Audited)	(Audited)
A. Cash Flow from Operating Activities		
Net Profit before tax		
Adjusted for	(909.99)	(1642.31)
Depreciation	502.54	600.35
Finance Costs	765.92	1465.23
Re-measurement gains/(losses) on employee defined benefit plans	13.59	
Loss / (Profit) on sale of fixed assets (net)	5.54	(592.64)
Assets written off	0.00	213.11
Lease modification	(20.98)	(75.24)
Interest Income	(7.21)	(3.46)
Excess provision written off	(23.80)	(1.04)
Operating Profit Before Working Capital Changes	329.61	(36.00)
Working Capital changes adjusted for		
Trade Receivables	(406.86)	124.59
Other financial and non financial assets	(44.08)	(341.34)
Other Non-current assets	0.00	24.04
Short Term provision	(3.77)	120.59
Inventories	662.96	367.19
Trade Payables	189.65	174.20
Other financial and non financial liabilities	263.47	(2012.65)
Cash Generated From Operations	990.97	(1579.38)
Direct Taxes Paid	0.00	(20.63)
Net Cash Flow From Operating Activities (A)	990.97	(1600.00)
B. Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(15.04)	(22.55)
Proceeds from sale of fixed assets	25.93	954.39
Interest income received	9.68	3.59
Net Cash Used In Investing Activities (B)	20.57	935.43
C. Cash Flow From Financing Activities		
Net Working Capital Borrowings	(179.94)	(325.14)
Net proceeds from long term borrowings	172.34	3041.99
Interest Paid	(175.07)	(1692.99)
Payment of Lease Liability	(229.49)	(299.17)
Net Cash Used In Financing Activities (C)	(412.15)	724.69
Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)	599.39	60.12
Opening Cash And Cash Equivalents	143.72	83.60
Closing Cash And Cash Equivalents	743.11	143.72



Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors as its meeting held on 22nd July, 2023 .
2. Management has performed a detailed review and reached out to all its debtors with regards to the long out-standing balances. Considering the long association debtors have given their assurance that the amount owed to the company will be surely repaid which was delayed due to the impact of COVID 19 pandemic. As a result management is of the opinion that there is no requirement of provision for expected credit loss towards the recovery from debtors. Further efforts are being made for expediting recovery from long overdue debtors. As a result the management is of the opinion there is no significant credit loss for the existing debtors out-standing and accordingly provisions are not made for the same.
3. Last approval for holding on operations in the company's TRA account with State Bank of India was valid until July 31, 2022. As a pre-emptive measure, the company has submitted its detailed proposal to the consortium banks for one time settlement of dues to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023. However, Company was unsuccessful to honor the compromise agreement as on March 31, 2023. Subsequently SBI & Axis has revoked the compromise agreement as on April 29, 2023 and May 03, 2023. Company has submitted request for revival of the compromise agreement to banks but same is yet to confirmed by the respective banks
4. The Company has submitted request for revival of compromise agreement, accordingly the Company has decided not to provide for Interest, wherein interest is due to be accounted for the period from December 01, 2022 up to March 31, 2023 in its books of accounts
5. The State bank of India limited has filed petition with Hon'ble National Company Law Tribunal [NCLT] Hyderabad bench -1[The Bench] under section 7 of Insolvency and Bankruptcy Code, 2016- Regarding outstanding loans payable to State bank of India
6. Presently the Company has income from operations from only one segment i.e., "Textiles"
7. Figures of the previous quarters/year have been re-grouped and re-classified wherever necessary to correspond with current year's presentation.



Vijay Kumar Gupta
Chairman and Managing Director

Place: Secunderabad
Date :22/07/2023



Independent Auditor's Report on the Financial Results of Vijay Textiles Limited for the quarter and year ended March 31, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

INDEPENDENT AUDITOR'S REPORT

To the Board of directors of

Vijay Textiles Limited

Report on the Audit of the Financial Results

1. Opinion

We have audited the accompanying annual financial results of Vijay Textiles Limited for the quarter ended 31 March 2023, and the year to date results for the period 1st April 22 to 31st March 23, 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").

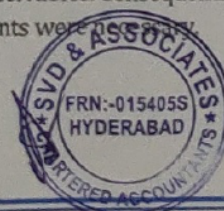
In our opinion and to the best of our information and according to the explanations given to us except for the possible effect of the matters described in the basis of Qualified opinion paragraph, these financial results:

- 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 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 and year ended March 31, 2023.

2. Basis for Qualified 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 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 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 on the financial statements.

- A. The company's trade receivables as at balance sheet date amounts to Rs. 156.93 crores (as on March 31, 2022 - Rs.152.81 crores) wherein the debtor's receivable overdue for period exceeding three years amounts to Rs. 147.77 crores (as on March 31, 2022 -Rs. 108.42 crores). We draw attention to Note number 5A to the financial results providing details with respect to actions implemented by management with respect to overdue trade receivables. Consequently, we were unable to determine whether any adjustments to these amounts were required.

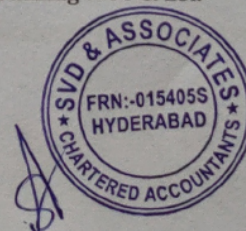


- B. The company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") have become Non Performing asset. Post which regular business transactions were conducted through trust & retention account ("TRA") managed by SBI on behalf of company for both SBI & Axis. Validity of such operation was permitted up to 31st July 2022 after which all the banking transactions were freezed by the banks. Subsequent to the above event company has been issued demand notices by SBI and Axis under letter dated August 17, 2022 and September 09, 2022 respectively under section 13 (2) of Securitisation and Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") giving company a sixty days' time period to deposit the amounts due to the banks amounting to Rs. 72.84 Crores & Rs. 20.04 Crores (amounts specified are per the notices issued by respective banks after application of interest and penal charges upto the date of these notices).

Pursuant to the above, the company has submitted a proposal for compromise on November 10, 2022 for one time settlement of dues by making a payment of Rs.79.60 Crore (SBI: Rs.61.00 Crore & Axis: Rs.18.60 Crore) as stipulated in the offer letter to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023, However, Company was unsuccessful to honor the compromise agreement as on March 31, 2023. Subsequently SBI & Axis has revoked the compromise agreement as on April 29, 2023 and May 03, 2023. Company has submitted request for revival of the compromise agreement to banks but same is yet to confirmed by the respective banks.

As the TRA Account is freezed the company is managing its daily operations with the support of Promoter Directors.

- C. As the Company is in process of revival of compromise agreement with State bank of India & Axis bank it has not provided for the interest payable against the loans outstanding from the respective banks, wherein interest is due to be accounted for the period from December 01, 2022 up to March 31, 2023. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. The same has resulted in the non-compliance of the Ind AS and inconsistency in the application of the accounting policies of the Company.
- D. Post cancellation of the compromise agreement the State bank of India has filed petition against the company in National Company Law Tribunal ("NCLT") on June 05, 2023 which got registered on June 22, 2023. Proceedings for the same are in progress at the appropriate authority. Further there has been a submission to Corporate Insolvency Resolution Procedure ("CIRP") by its operational creditor. Company has not determined the impact of a pending dispute before the NCLT & CIRP, thereby, in absence of sufficient and appropriate evidence, we are unable to comment on the impact thereof on the amounts reported in the Financial Statements
- E. In addition to above, as on March 31, 2023 the company had outstanding statutory dues related to TDS amounting to Rs. 61.67 Lakhs and PF & ESI dues amounting to Rs. 28.50 Lakhs & Rs 6.29 Lakhs respectively. However, subsequently the company has cleared the dues related to TDS amounting to Rs 37.52 Lakhs and has cleared all the dues pertaining to PF & ESI.



F. Material uncertainty related to going concern

We draw attention to the accompanying financial results, which indicates that the company has incurred a net loss for the year ended March 31, 2023 - Rs.6.52 crores (for the year ended March 31, 2022 -Rs. 11.51 crores). The company has outstanding amount due to vendors for more than three years as on March 31, 2023 amounting to Rs.6.09 crores (as on March 31, 2022 - Rs. 0.26 crore) and repayment of loans due to banks amounts to Rs.72.5 crores, further the withdrawal of support from Banks and other indicators as listed above in the qualification paragraphs, indicate existence of material uncertainty on the company's ability to continue as a going concern.

3. Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the 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 and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

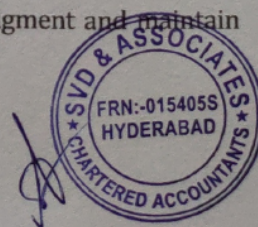
In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

4. 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. 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 financial results.

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

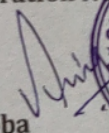


- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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.

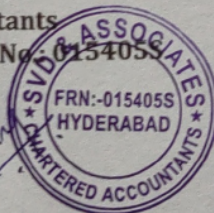
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For SVD & Associates
Chartered Accountants
Firm Registration No. 0154055


Avinash Doba
Partner

Membership No.: 232340
UDIN: 23232340BGXCDN4510



Date: 22-07-2023
Place: Hyderabad

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

1. Audit Qualifications

a. Details of Audit Qualification:	The company's trade receivables as at balance sheet date amounts to Rs. 156.93 crores (as on March 31, 2022 - Rs.152.81 crores) wherein the debtor's receivable overdue for period exceeding three years amounts to Rs. 147.77 crores (as on March 31, 2022 -Rs. 108.42 crores). We draw attention to Note number 5A to the financial results providing details with respect to actions implemented by management with respect to overdue trade receivables. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Nil
(ii) If management is unable to estimate the impact, reasons for the same:	Management has performed a detailed review and reached out to all its debtors with regards to the long outstanding balances. Considering the long association debtors have given their assurance that the amount owed to the company will be surely repaid. As a result management is of the opinion that there is no requirement of provision for expected credit loss towards the recovery from debtors. Further efforts are being made for expediting recovery from long overdue debtors. As a result the management is of the opinion there is no significant credit loss for the existing debtors out-standing and accordingly provisions are not made for the same.
(iii) Auditors' Comments on (i) or (ii) above:	Nil



2.

<p>a. Details of Audit Qualification:</p>	<p>The company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") have become Non Performing asset. Post which regular business transactions were conducted through trust & retention account ("TRA") managed by SBI on behalf of company for both SBI & Axis. Validity of such operation was permitted up to 31st July 2022 after which all the banking transactions were freezed by the banks. Subsequent to the above event company has been issued demand notices by SBI and Axis under letter dated August 17, 2022 and September 09, 2022 respectively under section 13 (2) of Securitisation and Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") giving company a sixty days' time period to deposit the amounts due to the banks amounting to Rs. 72.84 Crores & Rs. 20.04 Crores (amounts specified are per the notices issued by respective banks after application of interest and penal charges up to the date of these notices).</p> <p>Pursuant to the above, the company has submitted a proposal for compromise on November 10, 2022 for one time settlement of dues by making a payment of Rs.79.60 Crore (SBI: Rs.61.00 Crore & Axis: Rs.18.60 Crore) as stipulated in the offer letter to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023. However, Company was unsuccessful to honour the compromise agreement as on March 31, 2023. Subsequently SBI & Axis has revoked the compromise agreement as on April 29, 2023 and May 03, 2023. Company has submitted request for revival of the compromise agreement to banks but same is yet to confirmed by the respective banks.</p>
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	As the TRA Account is under freeze, the company is managing its daily operations with the support of Promoter Directors.
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Nil
(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
(iii) Auditors' Comments on (i) or (ii) above:	Nil

3.

a. Details of Audit Qualification:	As the Company is in process of revival of compromise agreement with State bank of India & Axis bank it has not provided for the interest payable against the loans outstanding from the respective banks, wherein interest is due to be accounted for the period from December 01,2022 up to March 31, 2023.Consequently, we were unable to determine whether any adjustments to these amounts were necessary. The same has resulted in the non-compliance of the Ind-AS and inconsistency in the application of the accounting policies of the company.
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil



(i) Management's estimation on the impact of audit qualification:	Proposal of the company submitted on 13 July 2023 is receiving attention of the banks for reinstatement of the OTS approval, which inter-alia includes waiver of interest from the cut-off date of settlement i.e. 31 August 2022. As a result management is unable to ascertain the impact of interest.
(ii) If management is unable to estimate the impact, reasons for the same:	
(iii) Auditors' Comments on (i) or (ii) above:	Nil

4.

a. Details of Audit Qualification:	Post cancellation of the compromise agreement the State bank of India has submitted petition against the company in National Company Law Tribunal ("NCLT") on June 05, 2023 which got registered on June 22, 2023. Proceedings for the same are in progress at the appropriate authority. Further there has been a submission to Corporate Insolvency Resolution Procedure ("CIRP") by its operational creditor. Company has not determined the impact of a pending dispute before the NCLT & CIRP, thereby, in absence of sufficient and appropriate evidence, we are unable to comment on the impact thereof on the amounts reported in the Financial Statements
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Nil
(ii) If management is unable to estimate the impact, reasons for the same:	The company is hopeful of settling the dues with the banks as per its commitment letter to pay the dues by 31 August 2023. Post settlement the company would request the banks to withdraw the said petition filed before NCLT. The company is in



(iii) Auditors' Comments on (i) or (ii) above:	discussion with operational creditors with respect to resolution and subsequently for withdrawal of application for CIRP. Nil
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5.

a. Details of Audit Qualification:	In addition to above, as on March 31, 2023 the company had outstanding statutory dues related to TDS amounting to Rs. 61.67 Lakhs and PF & ESI dues amounting to Rs. 28.50 Lakhs & Rs 6.29 Lakhs respectively. However, subsequently the company has cleared the dues related to TDS amounting to Rs 37.52 Lakhs and has cleared all the dues pertaining to PF & ESI.
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil
(i) Management's estimation on the impact of audit qualification:	The company shall be making payment of the pending TDS amount on immediate basis.
(ii) If management is unable to estimate the impact, reasons for the same:	
(iii) Auditors' Comments on (i) or (ii) above:	

6.

a. Details of Audit Qualification:	We draw attention to the accompanying financial results, which indicates that the company has incurred a net loss for the year ended March 31, 2023 - Rs.6.52 crores (for the year ended March 31, 2022 -Rs. 11.51 crores). The company has outstanding amount due to vendors for more than three years as on March 31, 2023 amounting to
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