

BHORUKA ALUMINIUM LIMITED

BAL:BSE:REG:33/22-23

31st May 2022

To
Manager (CRD)
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001
Scrip Code: 506027

ELECTRONIC FILING

Dear Sir,

Sub: Outcome of the meeting of the Board of Directors held on 30th May 2022

We would like to inform you that the Board of Directors of the Company at their Meeting held on 30th May 2022, inter-alia, has considered, approved and taken on record the following:

1. Audited Financial statements for the year ended March 31, 2022.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors of the Company at its meeting held today has approved and taken on records the Audited Standalone Ind AS financial results for the quarter and year ended March 31, 2022. Please find enclosed herewith Audited Standalone Ind AS Financial Results for the quarter and financial year ended 31st March, 2022 along with the modified audit report as reviewed by the Audit Committee and approved by the Board of Directors.

2. Statement of Impact of Audit Qualification (for audit report with modified opinion)

As per Regulation 30 and Schedule III of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September 2015, meeting of the Board of Directors commenced at 06:45 pm on 30th May 2022. However, due to extended queries and discussion, the meeting did not get concluded and continued on 31st May 2022 also from 11:45 am and concluded at 04:45 pm.

It is also herewith brought to the notice that, the Audited Standalone Ind AS financial results for the quarter and year ended March 31, 2022 along with the Audit report and the Statement of Impact of Audit Qualification inter alia were adopted and approved by the Board of Directors on 31st May 2022 and hence the same is submitted subsequently.

Thanking you,

Yours faithfully,

For **Bhoruka Aluminium Limited**

Raj Kumar Aggarwal
Managing Director
DIN: 01559120

Registered office: No.427E, 2nd Floor, Hebbal Industrial Area, Mysore-570016, Karnataka, India
Phone: +91-821-2510351/2510352 **Email:** company.secretary@bhorukaaluminium.com
website: www.Bhorukaaluminium.com **CIN: L27203KA1979PLC003442**

BHORUKA ALUMINIUM LIMITED
CIN No: L27203KA1979PLC003442
Reg.Office: No.427E, 2nd Floor, Hebbal Industrial Area, Mysore-570 016
Email: company.secretary@bhorukaaluminium.com
Website: www.bhorukaaluminium.com

| STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022 | | | | | | |
|---|--|---------------|-----------|-----------|------------|-----------|
| | Particulars | Quarter ended | | | Rs.in Lakh | |
| | | 31.03.2022 | | | Year ended | |
| | | 31.12.2021 | | | 31.03.2021 | |
| | | Unaudited | | | Audited | |
| I | Revenue from Operations | - | - | - | - | - |
| II | Other Income | - | - | - | - | - |
| III | Total Income (I + II) | - | - | - | - | - |
| IV | Expenses | - | - | - | - | - |
| | (a) Cost of Materials consumed | - | - | - | - | - |
| | (b) Purchases of Stock-in-Trade | - | - | - | - | - |
| | (c) Changes in inventories of finished goods, Stock-in Trade and Work in progress | - | - | - | - | - |
| | (e) Employee benefit expense | - | - | - | - | - |
| | (f) Finance Cost | 0.309 | - | - | 0.309 | - |
| | (g) Depreciation and Amortisation Expense | - | - | - | - | - |
| | (h) Other Expenses | 11.139 | 1.256 | 5.85 | 16.460 | 9.930 |
| | Total Expenses (IV) | 11.448 | 1.256 | (5.85) | 16.769 | 9.930 |
| V | Profit / (Loss) before exceptional items and tax (III - IV) | (11.448) | (1.256) | (5.85) | (16.769) | (9.930) |
| VI | Exceptional Items - Gain / (Loss) | - | - | - | - | - |
| VII | Profit (Loss) before exceptional items and tax (V - VI) | (11.448) | (1.256) | (5.85) | (16.769) | (9.930) |
| VIII | Tax Expense | - | - | - | - | - |
| | (1) Current Tax | - | - | - | - | - |
| | (2) Deferred Tax | - | - | - | - | - |
| | (3) Tax expense relating to earlier years | - | - | - | - | - |
| IX | Profit (Loss) for the period from continuing operations (VII-VIII) | (11.448) | (1.256) | (5.85) | (16.769) | (9.930) |
| X | Profit/(loss) from discontinuing operations | - | - | - | - | - |
| XI | Tax expenses of discontinuing operations | - | - | - | - | - |
| XII | Profit/(loss) from Discontinuing operations (after tax) (X-XI) | - | - | - | - | - |
| XIII | Profit (Loss) for the period (IX + XII) | (11.448) | (1.256) | (5.85) | (16.769) | (9.930) |
| | Other Comprehensive Income | - | - | - | - | - |
| | A. (i) Items that will not be reclassified to profit or loss | (60.954) | 229.642 | (113.45) | 542.257 | (130.710) |
| XIV | (ii) Income tax relating to items that will not be reclassified to profit or loss | (103.606) | 59.746 | 29.50 | (140.987) | 33.985 |
| | B. (i) Items that will be reclassified to profit or loss | - | - | - | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - |
| XV | Total Comprehensive Income for the period (XIII+XIV)Comprising Profit(Loss) and Other comprehensive Income for the period) | (176.008) | 288.132 | (89.80) | 384.501 | (106.655) |
| XVI | Paid up Equity Share Capital (Face value of Rs.10/- each) (not annualised) | 5,494.214 | 5,494.214 | 5,494.214 | 5,494.214 | 5,494.214 |
| | Earnings per equity share (for continuing operation): (non-annualised) | - | - | - | - | - |
| | (1) Basic | (0.03) | 0.524 | (0.02) | 0.070 | (0.194) |
| | (2) Diluted | (0.03) | 0.524 | (0.02) | 0.070 | (0.194) |
| XVII | Earnings per equity share (for discontinued operation): | - | - | - | - | - |
| | (1) Basic | - | - | - | - | - |
| | (2) Diluted | - | - | - | - | - |
| XVIII | Earning per equity share (for discontinued & continuing operation) | - | - | - | - | - |
| | (1)Basic | (0.03) | 0.524 | (0.02) | 0.070 | (0.194) |
| | (2) Diluted | (0.03) | 0.524 | (0.02) | 0.070 | (0.194) |

| STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2022 | | |
|--|---------------------------|---------------------------|
| Rs.in Lakhs | | |
| Particulars | As at 31.03.22 Audited | As at 31.03.21 Audited |
| ASSETS | | |
| Non-current assets | | |
| Property, Plant and Equipment | - | - |
| Capital work-in-progress | - | - |
| Other Intangible assets | - | - |
| Intangible assets under development | - | - |
| Financial Assets: | | |
| Investments | 920.313 | 378.055 |
| Trade receivables | - | - |
| Loans and Advances | 109.242 | 129.242 |
| (i) Deferred tax assets (net) | 1,850.953 | 1,991.940 |
| (j) Other non-current assets | | |
| Total Non-Current Assets | 2,880.508 | 2,499.237 |
| Current assets | | |
| Inventories | - | - |
| Financial Assets: | - | - |
| Trade receivables | - | - |
| Cash and Bank Balances | 0.220 | 0.226 |
| Other current assets | 72.652 | 72.652 |
| Total Current Assets | 72.872 | 72.878 |
| TOTAL ASSETS | 2,953.380 | 2,572.115 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity Share capital | 5,494.214 | 5,494.214 |
| Other Equity - Reserves & Surplus | (4,002.730) | (4,387.232) |
| Total Equity | 1,491.484 | 1,106.982 |
| LIABILITIES | | |
| Non-current liabilities: | | |
| Long Term Borrowings | 308.009 | 316.777 |
| Provisions | 0.423 | 0.423 |
| Total Non-current Liabilities | 308.432 | 317.200 |
| Current liabilities: | | |
| Financial Liabilities | | |
| Short Term Borrowings | - | - |
| Trade payables | 617.231 | 617.231 |
| Other current liabilities | 525.808 | 520.277 |
| Provisions | 10.425 | 10.425 |
| Total Current Liabilities | 1,153.464 | 1,147.933 |
| TOTAL EQUITY & LIABILITIES | 2,953.380 | 2,572.115 |

For Boruka Aluminium Limited

Place: Mysuru

Date: 30th May 2022

Raj Kumar Aggarwal
Managing Director
DIN - 01559120

BHORUKA ALUMINIUM LIMITED
CIN No: L27203KA1979PLC003442
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

| D | Particulars | For the Year ended 31 March 2022 | For the Year ended 31 March 2021 |
|----------|--|-------------------------------------|-------------------------------------|
| | | (Rs.) | (Rs.) |
| A | Cash Flows from Operating Activities : | | |
| | Net Profit before taxation and Extra ordinary Items | (16.769) | (9.930) |
| | Adjustments for : | - | - |
| | Depreciation & Amortisation of Expense (net) | - | - |
| | Loss on Sale of assets | - | - |
| | (Profit on Sale of assets) | - | - |
| | Prior Period Expenses | - | - |
| | Foreign Exchange Loss / (Profit) | - | - |
| | (Profit on Sale of Shares) | - | - |
| | (Interest Income) | - | - |
| | Gain on Fair valuation of investment | 542.257 | (130.710) |
| | Finance cost-Interest | 0.309 | - |
| | Operating profit before Working Capital Changes / Changes in working capital: | 525.797 | (140.640) |
| | Adjustments for (increase) / decrease in operating assets: | | |
| | Inventories | - | - |
| | Trade receivable | - | - |
| | Long-term loans and advances | - | - |
| | Decrease / (Increase) in Loans & Advances | - | - |
| | Other Current Assets | - | 40.000 |
| | | - | 40.000 |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Trade payable | - | - |
| | Other Current Liabilities | 5.531 | 3.783 |
| | Short Term Provisions | - | - |
| | Long term liabilities | - | - |
| | (Income Tax Paid) | - | - |
| | Prior Period Adjustments-BEPL | - | - |
| | A. (i) Items that will not be reclassified to profit or loss | - | - |
| | | 5.531 | 3.783 |
| | NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A) | 531.328 | (96.857) |
| B | Cash Flows from Investing Activities : | | |
| | (Purchase of Fixed Assets) | - | - |
| | Proceeds of Fixed Assets | - | - |
| | (Investments in Shares) | - | - |
| | Investments Proceeds in Shares | (542.257) | 130.710 |
| | NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES (B) | (542.257) | 130.710 |
| C | Cash flows from Financial Activities : | | |
| | Proceeds of Issuance of share Capital | - | - |
| | Capital Reserve Waiver of Loan | - | - |
| | Increase / (Decrease) in Unsecured loans | - | - |
| | Proceeds from Long Term Borrowings | (8.767) | (34.333) |
| | (Repayment of Long Term Borrowings) | - | - |
| | Increase / (Decrease) in Short term Borrowings | 20.000 | - |
| | Interest received | - | - |
| | (Interest Paid) | - | - |
| | (Dividends Paid) | (0.309) | - |
| | NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (C) | 10.924 | (34.333) |
| | NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | (0.006) | (0.480) |
| | Opening balance of Cash & Cash Equivalents | 0.226 | 0.706 |
| | Closing balance of Cash & Cash Equivalents | 0.220 | 0.226 |

Place: Mysuru

For Boruka Aluminium Limited

Date: 30th May 2022

Raj Kumar Aggarwal
Managing Director
DIN - 01559120

Notes:

- The above audited standalone financial results for the quarter and financial year ended **31st March, 2022** were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th May 2022. The meeting started on 30th May 2022 at 6:45 pm and concluded on 31st May 2022 at 04:45 pm
- The Statutory Auditors of the Company have conducted audit of financial results for the quarter/year ended 31st March, 2022.
- These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular CIR/CFD/FAC/62/2016 dated July 5, 2016 (the "Listing Regulations")
- The Company is not carrying any business operation.
- During the year, the 50250 equity shares of TCI Industries Limited, pledged to Bhoruka Extursions Private Limited, were revoked under the terms of the Pledge agreement.
- Figures for the previous period regrouped/rearranged wherever necessary
- Investor can access the result in our Company's website: www.bhorukaaluminium.com as well as website of Bombay Stock Exchange (Corporate Section)

For Bhoruka Aluminium Limited

Place: Mysuru
Date: 30th May 2022

Raj Kumar Aggarwal
Managing Director
DIN - 01559120

**Auditor's Report on Quarterly Financial Results and year to date Results of
BHORUKA ALUMINIUM LIMITED pursuant to the Regulation 33 of the SEBI (Listing
Obligations and Disclosure Requirements) Regulations 2015**

TO THE BOARD OF DIRECTORS OF
BHORUKA ALUMINIUM LIMIED

We have audited the accompanying statement of annual financial results ("Statement") of Bhoruka Aluminium Limited ('Company') for the quarter ended 31st March 2022 and the year to date results for the period 1st April 2021 to 31st March 2022 attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that figures for the last quarter ended 31st March 2022 and the corresponding quarter ended in the previous year as reported in the statement are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of the third quarter of the relevant financial year.

Also, the figures up to the end of the third quarter had only been reviewed and not subject to Audit.

The statement has been prepared on the basis of the annual financial statements of the current year and reviewed quarterly financial results up to the end of third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on the statement based on our audit of the Annual Financial Statements, which are been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the Audit to obtain reasonable assurance about whether the statement is free of material misstatement(s). An Audit includes examining, on test basis, evidence supporting the amounts disclosed as financial results. An Audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our Audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the, explanations given to us, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view of the loss and other comprehensive incomes and other financial information for the quarter ended 31st March 2022 and the year to date results for the period 1st April 2021 to 31st March 2022.



Phone : 2420778, 2420784, 2563333

Email : audit@esassociates.in

#765, 1st Floor, Bank of Baroda Building
Gandhi Square, Mysore - 570 001
Karnataka, India

Mem. No : 200763

Firm No. : 011236S

PAN : AACFE 2507Q

GST No.: 29AACFE2507Q2Z4

We further report the following:

1. We draw attention to the unsecured interest free loans given in earlier years and outstanding as on 31st March 2022, of Rs.19,46,58,400/- to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. The Company during the FY 2017-18 has transferred due to non-recovery Rs. 19,33,11,217/- to Other Comprehensive Income. The Outstanding balance as at the end of the financial year i.e., 31st March 2022 is Rs. 1,09,24,190/-. In our opinion, the rate of interest not charged and other terms and conditions of such loans are prima facie prejudicial to the interest of the company as per section 186 of the Companies Act 2013. In respect of the aforesaid loans, there are no stipulation as to the dates of the repayment of the loan.
 - A. The Company, during the Board Meeting held on 30th May 2019 and in the Annual General Meeting held on 27th Sept 2019, resolved to write off loans given to related parties (parties covered in the register required under section 189 of the Companies Act, 2013) i.e., Rock Strong Investments Pvt. Ltd., a sum of Rs.8,93,10,000/-, Sunbright Investments Private Ltd, a sum of Rs.6,79,60,000/- and Maverick Infotec private Ltd a sum of Rs. 2,27,30,807/- The Company has not taken any action in this matter as at the Balance Sheet date.
 - B. The Company, during the Board Meeting held on 30th May 2019, resolved to write off loans given to bodies corporate (parties covered in the register required under section 189 of the Companies Act, 2013) i.e., M/s. Kakti Trading and Commercials Pvt Ltd., a sum of Rs. 2,27,30,807/- and M/s. Sukhy Commercial and Trading Pvt. Ltd., a sum of Rs. 1,33,10,410/- The Company has not taken any action in this matter as at the Balance Sheet date.
2. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government or dues to debenture holders as at the balance sheet date except for due of Rs. 9,23,000/- payable to KSDC.
3. The company has received a demand notice under the Insolvency and Bankruptcy Code 2016 from Borukha Finance Corporation of India Ltd, demanding payment in respect of unpaid debt of Rs. 1,80,00,000/-. Failure to pay the unpaid debt will result in initiation of insolvency resolution process against the company.
4. The company had pledged vide agreement dated 12th Dec 2017, in favour of Bhoruka Extrusions Pvt. Ltd., having its registered office at Metagalli Mysore, 50250 equity shares having face value of Rs. 10/- of TCI industries Ltd. , 'to meet any obligations arising out of certain disputes / claims pertaining to taxes pending and conditions specified in the Business Transfer Agreement entered into on March 1st, 2013 between the company and YKK Holding Asia Pte. Ltd.



Phone : 2420778, 2420784, 2563333

Email : audit@esassociates.in

Mem. No : 200763

Firm No. : 011236S



#765, 1st Floor, Bank of Baroda Building
Gandhi Square, Mysore - 570 001
Karnataka, India

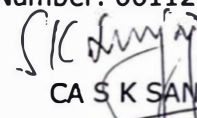
PAN : AACFE 2507Q

GST No.: 29AACFE2507Q224

5. In view that the demand notice from Bhorka Finance Corporation of India Ltd., squarely falls within the definition of "enforcement event" as provided in the above agreement, the Pledgee ie., Bhorka Extrusions Pvt Ltd has invoked the said pledge and the shares have been transferred to the demat account of Bhorka Extrusions Pvt Ltd. The said 50250 shares of TCI Industries Ltd are not in the possession of the Company.



For E.S. & Associates
Firm Registration Number: 0011236S


CA S K SANJAY
Partner

Membership Number: 200763

UDIN: **22200763AJZOTG6403**

Date: 30th May 2022

Place: Mysuru

BHORUKA ALUMINIUM LIMITED

Statement on Impact of Audit Qualification (For Audit Report with modified opinion) submitted
along with Annual Audited Financial Results (Standalone) for the Financial Year ended 31st March, 2022
(As per Regulation 33/52 of SEBI (LODR) Amended Regulations, 2016)

Rs. In Lakhs

| Sl.No. | Particulars | Audited figures (As reported before adjusting for qualifications) | Adjusted figures (After adjusting for qualifications) |
|------------------------------|---|---|---|
| I | | | |
| 1 | Turnover / Total Income | - | - |
| 2 | Total Expenditure | 16.769 | 16.769 |
| 3 | Net profit / (Loss) | -16.769 | -16.769 |
| 4 | Earnings per share | 0.70 | 0.700 |
| 5 | Total Assets | 2,953.380 | 2,953.380 |
| 6 | Total Liabilities | 2,953.380 | 2,953.380 |
| 7 | Net Worth | 1,491.484 | 1,491.484 |
| 8 | Any other financial items(s) (as felt appropriate by the management) | NA | NA |
| Audit Qualifications: | | | |
| 1a | Details of Audit Qualification: (Refer Annexure 'A' to Auditors Report Sl.No.3) We draw attention to the unsecured interest free loans given in earlier years and outstanding as on 31st March 2022, of Rs.19,46,58,400/- to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. The Company during the FY 2017-18 has transferred due to non-recovery Rs. 19,33,11,217/- to Other Comprehensive Income. The Outstanding balance as at the end of the financial year i.e., 31st March 2022 is Rs. 1,09,24,190/-. In our opinion, the rate of interest not charged and other terms and conditions of such loans are prima facie prejudicial to the interest of the company as per section 186 of the Companies Act 2013. In respect of the aforesaid loans, there are no stipulation as to the dates of the repayment of the loan. A. The Company, during the Board Meeting held on 30th May 2019 and in the Annual General Meeting held on 27th Sept 2019, resolved to write off loans given to related parties (parties covered in the register required under section 189 of the Companies Act, 2013) i.e., Rock Strong Investments Pvt. Ltd., a sum of Rs.8,93,10,000/-, Sunbright Investments Private Ltd, a sum of Rs.6,79,60,000/- and Maverick Infotec private Ltd a sum of Rs. 2,27,30,807/- The Company has not taken any action in this matter as at the Balance Sheet date. B. The Company, during the Board Meeting held on 30th May 2019, resolved to write off loans given to bodies corporate (parties covered in the register required under section 189 of the Companies Act, 2013) i.e., M/s. Kakti Trading and Commercials Pvt Ltd., a sum of Rs. 2,27,30,807/- and M/s. Sukhy Commercial and Trading Pvt. Ltd., a sum of Rs. 1,33,10,410/- The Company has not taken any action in this matter as at the Balance Sheet date. | | |
| b | Type of Audit Qualification: Qualified opinion | | |
| c | Frequency of qualification: Repetitive - Repetitive since financial year 2013-14 | | |
| d | Management views on the impact of the Auditor's Qualification: The Company had certain transactions with associate companies during the earlier years that have been classified as interest free loan as reported earlier. The likelihood of recovery the loans being very unlikely, the said loans are proposed to be written off by the company in accordance with the approval granted by the Shareholders vide their approval dated 27th September, 2019. The Company could not take action last few years due to covid and financial impacts, the company shall take action in the coming year. | | |
| e | Auditor's comments on the Management's views: In our opinion, the recovery of loans is very doubtful. Interest not charged is a loss of revenue to the company. The Company has not taken any action against the write off also since last 3 years. | | |
| 2a | Details of Audit Qualification: According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government as at the balance sheet date except unclaimed earlier years due of Rs. 9,23,000/- payable | | |
| b | Type of Audit Qualification: Qualified opinion | | |
| c | Frequency of qualification: Since FY 2018-19 | | |
| d | Management views on the impact of the Auditor's Qualification: The Company has cleared off all the bank's dues and the outstanding amount reported are as per our books and are unclaimed by the lender. The Company is intending to clear the same under settlement to the lender as and when it is claimed / demanded. | | |
| e | Auditor's comments on the Management's views: As per Explanation obtained, the company intends to repay on demand. | | |
| 3a | Details of Audit Qualification: The company has received a demand notice under the Insolvency and Bankruptcy Code 2016 from Borukha Finance Corporation of India Ltd, demanding payment in respect of unpaid debt of Rs. 1,80,00,000/-. Failure to pay the unpaid debt will result in initiation of insolvency resolution process against the company. | | |
| b | Type of Audit Qualification: Emphasis of Matter | | |
| c | Frequency of qualification: First time | | |
| d | Management views on the impact of the Auditor's Qualification: The Company has been making several attempts to take time and clear the dues in installments. The Company is in continuous touch with the management of Bhoruka Finance Corporation of India Limited and the best efforts are put in to clear the dues. | | |
| e | Auditor's comments on the Management's views: As per Explanation obtained, the company represents that it intends to repay the demand. However the chances are slim looking at the financial position of the Company and may lead to the proceedings under Insolvency and Bankruptcy Code, 2016 | | |



Details of Audit Qualification:

A. The company had pledged vide agreement dated 12th Dec 2017, in favour of Bhoruka Extrusions Pvt. Ltd., having its registered office at Metagalli Mysore, 50250 equity shares having face value of Rs. 10/- of TCI Industries Ltd., 'to meet any obligations arising out of certain disputes / claims pertaining to taxes pending and conditions specified in the Business Transfer Agreement entered into on March 1st, 2013 between the company and YKK Holding Asia Pte. Ltd.

B. In view that the demand notice from Bhoruka Finance Corporation of India Ltd., squarely falls within the definition of "enforcement event" as provided in the above agreement, the Pledgee i.e., Bhoruka Extrusions Pvt Ltd has invoked the said pledge and the shares have been transferred to the demat account of Bhoruka Extrusions Pvt Ltd. The said 50250 shares of TCI Industries Ltd are not in the possession of the Company.

b **Type of Audit Qualification: Emphasis of Matter**

c **Frequency of qualification: First time**

Management views on the Impact of the Auditor's Qualification:


d The receipt of notice under the Insolvency and Bankruptcy Code by the Company has triggered the enforcement event and the pledge is invoked as per the terms of the agreement.

Auditor's comments on the Management's views:

e The transaction is reported since the shares are not in the name of the company though the investment is shown in the books of the company.

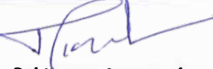
Signatories

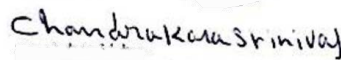
E.S. & Associates
Chartered Accountants
Firm Reg No. 00112365


CAS K Sanjay
Partner
Membership No. 26075

UDIN: 22200763AJZNTU9805




Raj Kumar Aggarwal
Managing Director
DIN: 01559120


Chandrakala Srinivas

Chandrakala Srinivas
Independent Director and Chairman - Audit Committee
DIN: 07142316

Place: Mysuru
Date: 30/05/2022