

PRIYA LIMITED



Regd. Office : 501, 5th Floor, Kimatrai Building, 77/79, Maharshi Karve Marg, Marine Lines (East), Mumbai-400 002. India
Tel.: +91-22-4220 3100 • Fax: +91-22-4220 3197 • E-mail: priyabom@priyagroup.com • Website : <http://www.priyagroup.com>

30th May, 2024

CIN : L99999MH1986PLC040713

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001.
Scrip Code: 524580

Calcutta Stock Exchange Ltd.
7, Lyons Range,
Kolkata 700 001.

Sub: Outcome of Board Meeting pursuant to Regulation 30 and Audited Financial Results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure and Requirements) Regulations, 2015.

Dear Sir,

Pursuant to Regulation 30 and Audited Financial Results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure and Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company in its meeting held on 30th May, 2024, inter alia, considered the following matters: -

The Board has approved the audited financial result for the quarter and year ended 31st March, 2024. In terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith:

- Audited Financial Results for the quarter and year ended on 31st March, 2024.
- Auditors Report on Audited Financial Results issued by M/s. KANU DOSHI ASSOCIATES LLP, the Statutory Auditors of the Company.
- Declaration for the modified Auditors Report with Statement of impact of audit qualification.

The meeting commenced at 11.00 p.m. and concluded at 6.30 p.m.

Kindly take the above information on your record and acknowledge receipt of the same.

Thanking you,
Yours Faithfully
For Priya Limited



Aditya Bhuwania
Whole-time Director
DIN: 00018911

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs.in lakhs except EPS)

Sr No	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31/03/2024	31/12/2023	31/03/2023	31/03/2024	31/03/2023
1	Income					
	(a) Revenue from Operations	-	-	-	-	-
	(b) Other Income	4.53	10.52	13.67	36.10	45.22
	Total Income from operations	4.53	10.52	13.67	36.10	45.22
2	Expenses:					
	(a) Purchase of Stock-in-trade	-	-	-	-	-
	(b) Changes in Inventory of Stock-in-trade	-	-	-	-	-
	(c) Employee Benefits Expenses	27.78	2.45	9.80	35.18	34.19
	(d) Finance Costs	86.49	91.13	88.81	358.76	357.82
	(e) Depreciation and Amortisation expense	1.52	1.54	1.63	6.18	6.61
	(f) Other expenses	6.29	7.49	9.52	38.43	43.89
	Total Expenses	122.08	102.61	109.76	438.55	442.51
3	Profit / (Loss) from ordinary activities before Exceptional items (1-2)	(117.55)	(92.09)	(96.09)	(402.45)	(397.29)
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax (3 +/- 4)	(117.55)	(92.09)	(96.09)	(402.45)	(397.29)
6	Tax Expense					
	- Current tax	1.40	-	-	1.40	-
	- Deferred tax	-	-	-	-	-
	Total Tax Expenses	1.40	-	-	1.40	-
7	Profit / (Loss) for the period (5 +/- 6)	(118.95)	(92.09)	(96.09)	(403.85)	(397.29)
8	Other Comprehensive Income, net of income tax					
	A. (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	B. (i) Items that will not be reclassified to Profit or Loss	32.45	1.79	-	35.95	(33.63)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income, net of income tax	32.45	1.79	-	35.95	(33.63)
9	Total Comprehensive Income for the period (8 +/- 7)	(86.50)	(90.30)	(96.09)	(367.90)	(430.92)
10	Paid-up equity share capital (face value of Rs 10/- per share)	300.23	300.23	300.23	300.23	300.23
11	Other Equity	-	-	-	(4805.51)	(4437.61)
12	Earning per share (EPS) (of Rs 10/- each) (not annualised)					
	Basic/ Diluted EPS	(3.96)	(3.07)	(3.20)	(13.45)	(13.23)

Notes:

- The above audited financial results of the Company for the quarter and year ended March 31, 2024 have been reviewed by the Audit committee of the Board and approved by the Board of Directors at its meeting held on 30.05.2024
- The promoter has pledged 2,00,500 equity shares of the company with Indian Bank as collateral Security against the credit facilities availed by the Company.
- The Company had received in October 2018 a notice under Section 13(2) of Securitization and Reconstruction of Financial assets and Enforcement of Security Interest Act, 2002 (the Act) from Indian Bank, Bank of Maharashtra and Union Bank of India, which had provided funds towards working capital requirements, informing that the Company's accounts have become NPA. In the previous years, the Company had also received a notice under Section 13(4) of the Act on failure to repay recalled amount for symbolic attachment of properties. Currently the Company has stopped all its business activities due to blockage of bank accounts and as at period ended 31st March 2024 total liabilities exceeds total assets by Rs. 4,505.28 Lakhs. During the FY 2020-21, the Company has also closed down all its branches except Mumbai branch, has written off/ sold fixed assets located at such branches and has also laid off maximum employees across all branches since the business operations are nil. As informed by the Management of the Company, the company had approached a consortium of three banks for one-time settlement letter dated December 18, 2023, discussion are in process. Indian Bank, Bank of Maharashtra and Union Bank have declared the company, promoters, directors and corporate guarantors as willful defaulters, the management of the company has represented against the same. The company has deposited 1.75 crore in "No Lien Account" with Indian bank out of proposed Rs.8.50 crore as one time settlement.
- During the previous year, there was a casual vacancy of Chief Financial Officer w.e.f. 1st December, 2022. The Company is in process of appointing new Chief Financial Officer
- The figure for current quarter ended 31st March, 2024 and quarter ended March 31, 2023 are the balancing figures between audited figures of the full financial year 31st March, 2024 and 31st March, 2023 respectively and the published year-to-date figures up to the third quarter of the relevant financial year.
- As the Company's business activity falls within a single Primary segment viz. : "Trading of Electronics- Computer peripherals and systems" the disclosure requirement of Indian Accounting Standard (IND AS-108) "Segment Reporting" is not applicable.
- Corresponding figures of the previous quarter/year have been regrouped, recasted and reclassified to conform to the current year presentations.

Place: Mumbai
Date: 30th May, 2024



On behalf of the Board of Directors

Aditya Bhuwania

Aditya Bhuwania
Whole Time Director
DIN No. 00018911

PRIYA LIMITED

STATEMENT OF ASSETS AND LIABILITIES		(Rs.in lakhs)	
		(Audited)	(Audited)
I	ASSETS	As at 31/03/2024	As at 31/03/2023
1	Non - current assets		
	(a) Property, plant and equipment	8.13	9.13
	(b) Investment Property	113.18	119.17
	(c) Financial assets		
	(f) Investments	2.57	2.92
	(ii) Other financial assets	-	1.43
	(d) Other tax assets (net)	38.56	36.35
	Total Non - Current Assets	162.44	169.00
2	Current assets		
	(a) Inventories	-	-
	(b) Financial assets		
	(c) Trade receivables	-	-
	(ii) Cash and cash equivalents	0.97	1.01
	(iii) Bank balances other than (ii) above	3.80	4.79
	(iv) Other financial assets	82.74	78.69
	(c) Other current assets	7.16	8.25
	Total Current Assets	94.67	92.74
	TOTAL ASSETS	257.11	261.74
II	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity share capital	300.23	300.23
	(b) Other equity	(4805.51)	(4437.61)
	Total Equity	(4505.28)	(4137.38)
2	LIABILITIES		
(A)	Non - current liabilities		
	(a) Provisions	33.69	70.59
	Total Non - Current Liabilities	33.69	70.59
(B)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2586.34	2529.42
	(ii) Trade payables	77.75	87.56
	(iii) Other financial liabilities	2055.45	1698.50
	(b) Other current liabilities	9.16	10.95
	(c) Provisions	-	2.10
	Total Current Liabilities	4728.70	4328.53
	TOTAL EQUITY AND LIABILITIES	257.11	261.74



Aty Bhawani

PRIYA LIMITED
STATEMENT OF CASH FLOW

		(Rs.in lakhs)			
	Particulars	(Audited)		(Audited)	
		31 March 2024		31 March 2023	
A)	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before tax		(402.45)		(397.29)
	Adjustment for:				
	Depreciation	6.18		6.61	
	Interest income	(0.09)		(0.10)	
	Interest expenses	358.03		357.05	
	Reclassification of remeasurement of employee benefits	36.29		(4.65)	
	Sundry balance written off (net)	0.01		(3.12)	
	(Profit)/Loss on sales of fixed assets	(0.01)		0.32	
	Loss on obsolescence of fixed assets	0.78	401.19	-	356.11
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(1.26)		(41.18)
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES:				
	Other bank balances	0.99		0.93	
	Other current financial assets	(4.05)		(28.78)	
	Other current assets	1.08		0.88	
	Other non current financial assets	1.43		0.72	
	Trade payable	(9.81)		19.00	
	Other current liabilities	(1.79)		5.33	
	Current provision	(2.10)		0.27	
	Non current provision	(36.90)	(51.15)	(35.04)	(36.69)
	Cash generated from operations		(52.41)		(77.87)
	Direct taxes refund (net)		(3.60)		(4.20)
	NET CASH GENERATED FROM OPERATING ACTIVITIES		(56.01)		(82.07)
B)	CASH FLOW FROM INVESTING ACTIVITIES				
	Sale of fixed assets	0.04		0.09	
	Interest received	0.09	0.13	0.10	0.19
	NET CASH GENERATED FROM INVESTING ACTIVITY		0.13		0.19
C)	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from borrowings	56.92		82.98	
	Interest paid	-		(0.01)	
	Dividend paid (including dividend tax)	(1.08)	55.84	(1.00)	81.97
	NET CASH USED IN FINANCING ACTIVITY		55.84		81.97
	NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)		(0.04)		0.09
	OPENING BALANCE OF CASH & CASH EQUIVALENTS		1.01		0.92
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS		0.97		1.01
			(0.04)		0.09
	Notes				
	CASH AND CASH EQUIVALENTS INCLUDES				
	Cash in hand		0.05		0.10
	Balance with scheduled banks				
	In current account (Including Book overdraft)		0.92		0.91
	Total		0.97		1.01



Arif Ramesh



Independent Auditor's Report on the Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,

The Board of Directors of Priya Limited

Adverse Opinion

We have audited the accompanying statement of Financial Results of Priya Limited ("the company") for the quarter ended March 31, 2024 and the year to date statement for the period from April 01, 2023 to March 31, 2024, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) except for the possible effect of the matter described in the Basis for Adverse Opinion paragraph, read together with matters described in the Emphasis of Matters paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter ended March 31, 2024 as well as the year to date statement for the period from April 01, 2023 to March 31, 2023

Basis for Adverse Opinion

1. We draw your attention to note no. 3 of Financial Results regarding the Company's account being declared as Non-Performing Asset (NPA) and received a notice under Section 13(4) of Securitization and Reconstruction of Financial assets and Enforcement of Security Interest Act, 2002 ('the Act') for symbolic attachment of properties. The Company has incurred net losses in the current period as well as in the past years. The Company has accumulated losses which exceeds its net worth at the balance sheet date resulting in negative net worth and due to blockage of bank accounts, revenue from operation during the current year is nil. During the FY 2020-21, the Company has also closed down all its branches except Mumbai branch, had written off/ sold fixed assets located at such branches and has also laid off maximum employees across all branches since the business operations are nil. Further, the Company has also received summons from Debts Recovery Tribunal (DRT) Mumbai applied by one of the lender banks.



As informed by the Management of the Company, during the previous year, as a result of non-payment and despite of demand notices, the Authorised Officer took physical possession of the properties situated in Chennai and Kolkata, out of which Chennai property was sold in e-auction on 29th December, 2022. However, in the absence of information available in relation to the auction amount, the accounting adjustment between borrowing and the asset sold is pending as at 31st March, 2024. we are unable to comment on the impact of the same on the Loss / net worth of the Company.

Further, the company has also received a notice thrice for auction sale of Mumbai properties e-auction mode however, as per the information received from the management, e-auction held was not materialised.

Bank of Maharashtra and Union Bank have declared the company, promoters, directors and corporate guarantors as willful defaulters, the management of the company has represented against the same.

During the quarter, the Company has deposited Rs.175 lacs in "Non-lien account" with Indian Bank as a one time settlement out of proposed amount of Rs. 850 lacs.

Considering such factors and in the absence of necessary and adequate evidence with respect of Company's assessment of going concern, as per our judgement, management's use of the going concern basis of accounting in the financial statements is inappropriate.

2. The Company had made aggregate provision of Rs. 3,269.64 lakhs for doubtful debts (expected credit loss) as at March 31, 2024 relating to export sales. The Management has not approached RBI for approval of writing off the said amount from books of accounts. In the absence of any information regarding penal consequences, we are unable to comment on the impact of the same on the Loss / net worth of the Company.
3. During previous year, there was a casual vacancy of Chief Financial Officer w.e.f. November 30, 2022. The Company is in process of appointing new Chief Financial Officer but couldn't appoint the same within the prescribed time limits of six months from the date of resignation and we are unable to comment on the impact of the penal consequences on the loss / networth of the Company.

Based on the facts mentioned above and in the absence of the information regarding future business plan of the Company, we are unable to comment on the going concern of the Company.

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, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matters

- a. The Company has provided interest amounting to Rs. 358.02 lakhs on NPA accounts for the year ended March 31, 2024. The total outstanding interest payable as at 31st March 2024 amounts to Rs.2049.72 lakhs. In the absence of Bank statements in respect of these NPA accounts and confirmation from bank regarding rate of penal interest, we are unable to comment upon the booking of provision of such interest and closing account balances.
- b. As at March 31, 2024, the Company has rent income receivable amounting to Rs.81.44 lakhs from its group company. The said rent has not been received during the year. The company has been booking the rent income in compliance with the rental agreement. We are given to understand that the management is confident of receiving this outstanding from the company in the near future. Hence, no provision for the amount of rent receivable has been considered necessary by the management.
- c. As at March 31 2024, the Company has Advance tax refund receivable amounting to Rs.34.95 Lakhs pertaining to seven assessment years. As per Income tax records the same has been refunded to the company. In the absence of Bank statements in respect of NPA accounts, the Company is unable to record the amount of refunds actually received. Therefore, we are unable to comment upon the closing balances of advance taxes and loans appearing in the books of accounts.
- d. Due to unavailability of funds, the Company is unable to pay gratuity (statutory liability) amounting to Rs, 44.08 lacs which is outstanding at March 31, 2024 to the employees who resigned during the year

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Financial Results

These quarterly Financial Results as well as the year to date Financial Results have been prepared on the basis of the Interim Financial Statements. The Company's Board of Directors are responsible for the preparation of these Financial Results that give a true and fair view of the net loss and other comprehensive losses and other financial information in accordance with the recognition and measurement principles laid down in 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 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 Statements 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. 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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 Statements 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



Other Matters

- 1) The annual financial results include the results for the quarter ended 31 March 2024 being the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No: 104746W/W100096



Kunal Vakharia
Partner
Membership No: 148916
UDIN: 24148916BKCQOL8813



Place: Mumbai
Date: May 30, 2024

PRIYA LIMITED



Regd. Office : 501, 5th Floor, Kimatrai Building, 77/79, Maharshi Karve Marg, Marine Lines (East), Mumbai-400 002. India
Tel.: +91-22-4220 3100 • Fax: +91-22-4220 3197 • E-mail: priyabom@priyagroup.com • Website : http://www.priyagroup.com
CIN : L99999MH1986PLC040713

BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001.	Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata 700 001.
--	--

Sub: Declaration under regulation 33 (3)(d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Ref.: Annual Audited Financial Results for the year ended on March 31, 2024.

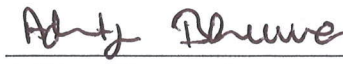
Dear Sir,

In terms of regulation 33 (3)(d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations 2016 vide notification no. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and circular No. CIIR/CFD/CMD/56/2016 dated May 27, 2016, we, hereby declare that the statutory Auditors of the Company, M/s. Kanu Doshi Associates LLP, have issued an Audit Report with modified opinion on Audited Financial Results of the Company for the year ended on March 31, 2024 which has been approved at the Board Meeting held today i.e. 30th May, 2024.

Kindly take this declaration on your record.

Thanking you,
Yours faithfully,

For Priya Limited



Aditya Bhuwania
Whole-time Director
DIN: 00018911



Date : 30th May, 2024
Place : Mumbai

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL :

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024 (See regulation 33 of the SEBI (LODR) Regulations, 2015)			
I.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	36.10	36.10
2.	Total Expenditure	438.55	438.55
3.	Net Profit/(Loss)	(402.45)	(402.45)
4.	Earnings Per Share	(13.45)	(13.45)
5.	Total Assets	257.11	257.11
6.	Total Liabilities	4,762.39	4,762.39
7.	Net Worth	(4,505.28)	(4,505.28)
8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):		
	a. Details of Audit Qualification:		
	<p>1. We draw your attention to note no. 3 of Financial Results regarding the Company's account being declared as Non-Performing Asset (NPA) and received a notice under Section 13(4) of Securitization and Reconstruction of Financial assets and Enforcement of Security Interest Act, 2002 ('the Act') for symbolic attachment of properties. The Company has incurred net losses in the current period as well as in the past years. The Company has accumulated losses which exceeds its net worth at the balance sheet date resulting in negative net worth and due to blockage of bank accounts, revenue from operation during the current year is nil. During the FY 2020-21, the Company has also closed down all its branches except Mumbai branch, had written off/ sold fixed assets located at such branches and has also laid off maximum employees across all branches since the business operations are nil. Further, the Company has also received summons from Debts Recovery Tribunal (DRT) Mumbai applied by one of the lender banks.</p> <p>As informed by the Management of the Company, during the previous year, as a result of non-payment and despite of demand notices, the Authorised Officer took physical possession of the properties situated in Chennai and Kolkata, out of which Chennai property was sold in e-auction on 29th December, 2022. However, in the absence of information available in relation to the auction amount, the accounting adjustment between borrowing and the asset sold is pending as at 31st March, 2024. we are unable to comment on the impact of the same on the Loss / net worth of the Company.</p>		

Further, the company has also received a notice thrice for auction sale of Mumbai properties e-auction mode however, as per the information received from the management, e-auction held was not materialised.

Bank of Maharashtra and Union Bank have declared the company, promoters, directors and corporate guarantors as willful defaulters, the management of the company has represented against the same.

During the quarter, the Company has deposited Rs.175 lacs in “Non-lien account” with Indian Bank as a one time settlement out of proposed amount of Rs. 850 lacs.

Considering such factors and in the absence of necessary and adequate evidence with respect of Company’s assessment of going concern, as per our judgement, management’s use of the going concern basis of accounting in the financial statements is inappropriate.

2. The Company had made aggregate provision of Rs. 3,269.64 lakhs for doubtful debts (expected credit loss) as at March 31, 2024 relating to export sales. The Management has not approached RBI for approval of writing off the said amount from books of accounts. In the absence of any information regarding penal consequences, we are unable to comment on the impact of the same on the Loss / net worth of the Company.
3. During previous year, there was a casual vacancy of Chief Financial Officer w.e.f. November 30, 2022. The Company is in process of appointing new Chief Financial Officer but couldn’t appoint the same within the prescribed time limits of six months from the date of resignation and we are unable to comment on the impact of the penal consequences on the loss / networth of the Company.

b. **Type of Audit Qualification:** Adverse Opinion

c. **Frequency of qualification:**

A.1	Since March 2021
A.2	Since March 2021
A.3	Since June 2023

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

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

(i) Management’s estimation on the impact of audit qualification.

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

1. The Company had received in October 2018 a notice under Section 13(2) of Securitization and Reconstruction of Financial assets and Enforcement of Security Interest Act, 2002 ('the Act') from Indian Bank, Bank of Maharashtra and Union Bank of India, which had provided funds towards working capital requirements, informing that the Company's accounts have become NPA. In the previous years, the Company had also received a notice under Section 13(4) of the Act on failure to repay recalled amount for symbolic attachment of properties. Currently the Company has stopped all its business activities due to blockage of bank accounts and as at period ended 31st March 2024 total liabilities exceeds total assets by Rs. 4,505.28 Lakhs. During the FY 2020-21, the Company has also closed down all its branches except Mumbai branch, has written off/ sold fixed assets located at such branches and has also laid off maximum employees across all branches since the business operations are nil. As informed by the Management of the Company, the company had approached a consortium of three banks for one-time settlement letter dated December 18, 2023, discussion are in process. Indian Bank, Bank of Maharashtra and Union Bank have declared the company, promoters, directors and corporate guarantors as willful defaulters, the management of the company has represented against the same. The company has deposited 1.75 crore in "No Lien Account" with Indian bank out of the proposed amount of 8.50 crores.
2. The Management is in process of appointing new Chief Financial Office .
3. The Management is in the process to approach RBI for writing off the said trade receivables.

(iii) Auditors' Comments on (i) or (ii) above:

Since the management also was not able to ascertain impact, no other comments have been made by the auditors.

III. Signatories:



Whole-time Director :



Audit Committee Chairman:



Statutory Auditor:

Place: Mumbai

Date: 30-05-2024