

To,
General Manager
Department of Corporate Services
BSE Limited
24th Floor, PJ Tower
Dalal Street
Mumbai

Date: 25.08.2021

Scrip Code: 521206

Dear Sir/Madam,

Sub: Revision in the Standalone and Consolidated Limited Review Report of the Company submitted for the quarter ended 30th June, 2021.

This is with reference to the Un- Audited Financial Results submitted for the quarter ended, 30th June, 2021 dated 13th August, 2021, we hereby submit the revised Standalone and Consolidated Un- Audited Financial Results of the Company for the quarter ended 30th June, 2021 for following reasons:

1. Revision in the Standalone Limited Review Report of the Company for the quarter ended 30th June 2021.
2. Revision in the Consolidated Limited Review Report of the Company for the quarter ended 30th June 2021.

Further, except the above changes, there is no revision in the Standalone and Consolidated Un-Audited Financial Results of the Company for the Quarter ended 30th June, 2021 submitted earlier.

Kindly take note the same on your records.

With Best Regards,

Thanking You,
For Samtex Fashions Limited

Anushika Mishra

Anushika Mishra
(ACS-59065)
Company Secretary

Date: 13.08.2021

To,
The Manager
Department of Corporate Relations,
The Stock Exchange Mumbai
Phiroze Jeejeebhoy Tower,
Dalal Street
Mumbai-400001

SUBJECT: Outcome of Board Meeting held on Friday 13th August 2021 and Un-Audited Financial Results (Standalone & Consolidated) for the 1st quarter ended 30th June, 2021 pursuant to regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

Pursuant to provisions of Regulation 30 and 33 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, We would like to inform you that in the Meeting held today, Friday 13th August 2021 have inter-alia considered, approved and taken on record the Quarterly Unaudited Financial Results- Standalone and Consolidated of Samtex Fashions Limited for the quarter ended 30th June, 2021 duly reviewed and recommended by the Audit Committee along with Auditor's Review Report.

The Standalone and Consolidated Unaudited Financial Results are being uploaded on the Company's website www.samtexfashions.com and the said results are also being published in the newspaper as required under the SEBI Listing regulations.

It is further informed that the Meeting of the Board of Directors commenced at 4.00 P.M and concluded at 4:30 P.M.

Kindly take note the same on your records.

Thanking You,

For SAMTEX FASHIONS LIMITED



Chairman & Managing Director
(DIN-00223366)


Encl: as above

SAMTEX FASHIONS LIMITED					
Regd. Office & Works: Khasra No 62, D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205 IN					
CIN: L17112UP1993PLC022479 Email: samtex.compliance@gmail.com, Website: samtexfashions.com					
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021					
PART-I	Particulars	(Rs. in Lakhs, except per share data)			
		Standalone			
		Three Months Ended		Year Ended	
	Unaudited	Unaudited	Audited	Audited	
	30.06.2021	30.06.2020	31.03.2021	31.03.2021	
1	Income				
	Revenue From Operations	0	0	0	0
	Other income	0	0	0.51	0.6
	Total Income	0	0	0.51	0.6
2	Expenses				
	(a) Cost of materials consumed	0	0	0	0
	(b) Purchase of Stock-in-trade	0	0	0	0
	(c) Changes in Inventories of finished goods, work in progress and stock in trade	0	0	0	0
	(d) Employee benefits expense	1.8	0.84	1.81	5
	(e) Finance Cost	0.05	0	0.08	0.11
	(f) Depreciation and amortisation Expenses	13.31	13.46	12.87	53.26
	(g) Other Expenses	4.38	4.96	8.21	20.33
	Total Expenses	19.54	19.26	22.97	78.9
3	Profit/(Loss) before exceptional item and tax	(19.54)	(19.26)	(22.46)	(78.30)
4	Exceptional items	0	0	0	0
5	Profit/(Loss) before tax	(19.54)	(19.26)	(22.46)	(78.30)
6	Tax Expenses				
	Current Tax	0	0	0	0
	Deferred Tax	0	(1.68)	0	(1.68)
7	Total Tax Expenses	0	(1.68)	0	(1.68)
8	Other Comprehensive income, net of income tax	(0.0389)			
	(i) (a) Items that will not be re-classified to the profit or loss	0			
	(b) Income Tax relating to items that will not be re-classified to profit or loss	0	0	0	0.06
	(ii) (a) Items that will be re-classified to the profit or loss		(0.12)	0	0
	(b) Income tax relating to items that will be re-classified to the profit or loss	0	0	0	0
	Total Other comprehensive income, net of income tax	(0.04)	(0.12)	0	0.06
	Total Comprehensive income for the period	(19.58)	(17.70)	(22.46)	(76.56)
9	Paid-up equity share capital	1490.00	1490.00	1490.00	1490.00
	Face value per Equity Share	2.00	2.00	2.00	2.00
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(1,325.44)
10	Earning per share				
	(a) Basic	(0.03)	(0.02)	(0.03)	(0.10)
	(b) Diluted	(0.03)	(0.02)	(0.03)	(0.10)

Notes:

- The aforesaid results have been duly reviewed by Audit Committee and thereafter approved and taken on record in the meeting of the Board Of Directors of the Company held on 13.08.2021. The Statutory Auditors of the Company have conducted a "Limited Review" of the above financial results for the quarter ended 30th June, 2021
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- Originally the Plant of the Company setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY- 2017-18 and in March 2019 the Company further changed the business premises to Plot No. 163, Udyog Vihar, Greater Noida, UP-201308 since then no manufacturing activities has been carried on. Further, in January 2021 the Company further changed the Registered Office to Khasra No 62, D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205, However no manufacturing activity has been carried on till date.
- The figures of the last periods have been regrouped, wherever necessary, to confirm to the current quarter's.

For and on behalf of the Board of Samtex Fashions Limited


 Atul Mittal
 Chairman & Managing Director
 DIN: 00233566

Place: New Delhi
Date: 13.08.2021

SAMTEX FASHIONS LIMITED				
Regd. Office & Works: Khasra No 62, D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205 IN				
CIN: L17112UP1993PLC022479 Email: samtex.compliance@gmail.com, Website: samtexfashions.com				
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED WITH JUNE, 2021				
(Rs. In Lakhs, except per share data)				
PART-I	Particulars	Consolidated		
		Three Months Ended		Year Ended
		Unaudited 30.06.2021	Unaudited 30.06.2020	Audited 31.03.2021
1	Income			
	Revenue From Operations	0	0	0
	Other income	0	2.4	6.46
	Total Income	0	2.4	6.46
2	Expenses			
	(a) Cost of materials consumed	0	0	0
	(b) Purchase of Stock-in-trade	0	0	0
	(c) Changes in Inventories of finished goods, work in progress and stock in trade	0	0	0
	(d) Employee benefits expense	6.68	6.74	12.45
	(e) Finance Cost	0.05	0.02	0.11
	(f) Depreciation and amortisation Expenses	172.3	195.69	102.15
	(g) Other Expenses	6.46	10.92	38.14
	Total Expenses	185.49	213.37	152.85
3	Profit/(Loss) before exceptional item and tax	(185.49)	(210.97)	(146.39)
4	Exceptional items	0	0	0
5	Profit/(Loss) before tax	(185.49)	(210.97)	(146.39)
6	Tax Expenses			
	Current Tax	0	0	0
	Deferred Tax	0	(1.68)	0
7	Total Tax Expenses	0	(1.68)	0
8	Other Comprehensive income, net of income tax	(0.82)	2.24	(5.65)
	(i) (a) Items that will not be re-classified to the profit or loss		2.24	
	(b) Income Tax relating to items that will not be re-classified to profit or loss	0	0	(5.71)
	(ii) (a) Items that will be re-classified to the profit or loss	0	0	0
	(b) Income tax relating to items that will be re-classified to the profit or loss	0	0	0
	Total Other comprehensive income, net of income tax	(0.82)	2.24	(5.71)
	Total Comprehensive income for the period	(186.31)	(207.05)	(152.10)
9	Paid-up equity share capital	1490.00	1490.00	1490.00
	Face value per Equity Share	2.00	2.00	2.00
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year			(23,753.37)
10	Earning per share			
	(a) Basic	(0.25)	(0.28)	(0.20)
	(b) Diluted	(0.25)	(0.28)	(0.20)

Notes:

- The aforesaid consolidated results have been duly reviewed by Audit Committee and thereafter approved and taken on record in the meeting of the Board Of Directors of the Company held on 13.08.2021. The Statutory Auditors of the Company have conducted a "Limited Review" of the above financial results for the quarter ended 30th June, 2021.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- Originally the Plant of the Company setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY- 2017-18 and in March 2019 the Company further changed the business premises to Plot No. 163, Udyog Vihar, Greater Noida, UP-201308 since then no manufacturing activities has been carried on. Further in January 2021 the Company further changed the Registered Office to Khasra No 62, D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205.
- The figures of the last periods have been regrouped, wherever necessary, to confirm to the current quarters.

For and on behalf of the Board of Samtex Fashions Limited

Chairman & Managing Director
DIN: 00223396

Place: New Delhi
Date: 13.08.2021

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**To,****The Board of Directors,
Samtex Fashions Limited.**

I the undersigned, in my capacities as Managing Director and Chief Financial Officer of **Samtex Fashions Limited** and pursuant to the provisions of the Regulation 33 (2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 &, to the best of my knowledge and belief, certify that:

- The Standalone Unaudited Financial Results for the First quarter (Q1) ended 30.06.2021 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- The Consolidated Unaudited Financial Results for the First quarter (Q1) ended 30.06.2021 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

**(Managing Director & CFO)**
DIN: 00223366**Date: 13.08.2021**
Place: New Delhi

KAPIL KUMAR
B.Com, F.C.A

CHIRAG AGGARWAL
B.Com(H), F.C.A

INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT

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

To Board of Directors of

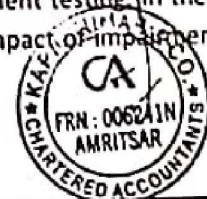
Samtex Fashions Limited

We have reviewed the accompanying statement of unaudited Standalone Financial Results of SAMTEX FASHIONS LIMITED ("the company") for the quarter ended on June 30th, 2021 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("Listing Regulations"). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Basis of Qualified Conclusion:

- i. Originally the plant of the company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in march 2019 the company further changed its business premises to Plot no 163, Udyog Vihar, Greater Noida, UP- 201308 and since then no manufacturing activity has been carried on. As per information furnished to us the company has further entered into a rent agreement in the month of January 2021 to shift its business premises to D1/3, Industrial Area, Vill-Rajarampur, Sikandrabad, Bulandshahar UP-203205, however till date the company is unable to shift its assets and business operations to new premises We have not been provided with the copy of rent agreement to verify the term & conditions mentioned there in. The Company is required to determine impairment in respect of fixed assets, However the Company has not done Impairment testing in the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the financial statements is not ascertainable.



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Balance of debtors are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade receivables of the company could not be verified as the confirmation of balances have not been provided and made available to us. Trade receivables outstanding Rs 686.31 as on 30/06/2021 which are long overdue and not provided for. Allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.

- iii. The company has not followed the treatment for recognition and re measurement of employee benefit costs as detailed in the Ind As 19.

Qualified Conclusion

Based on our review conducted as stated above, except (for the effects of matters described in the 'Basis of Qualified conclusion paragraph above) nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

- i. The company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The company has also received a notice from IDBI Bank Ltd as to why the company along with its subsidiary SSA International Ltd (Main Borrower) and others should not be declared as wilful defaulters. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an Intimation vide CA 530/18 dated 24/05/2018.



- ii. We have not been provided with sufficient, appropriate audit evidence relating to physical verification/ availability of fixed assets and inventory. Pending completion of such verification, we are unable to comment on the possible impact, if any, arising out of the said matters.
- iii. The company had given loans and advances as on 30.06.2021 which are outstanding from long time. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable. Moreover, we have not been provided with justification giving said advance and sufficient, appropriate audit evidence relating to verification of the same. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.
- iv. As of 30th June 2021, inventories amounting to Rs 25.31 lacs and as no business activity has been taken out during the year, the inventories have not been used for a long period of time, and the company has not provided for if any inventory item is damaged or has become obsolete or if the selling price has declined.
- v. The Company continued to recognize deferred tax assets of Rs 132.28 lacs upto June 30, 2021, in absence of probable certainty and convincing evidence for taxable income in future, we are unable to ascertain the extent to which these deferred tax assets can be utilized. Further the company has not recognized fresh asset/liability during the quarter ended 30.06.2021.
- vi. Confirmation of balances are not available for loans and advances, trade payables, security deposits, balances with government authorities, bank balances, FDR's along with interest thereon and bank loans as at June 30, 2021, we are unable to comment on the possible impact, if any, arising out of the said matters.
- vii. The company is not regular in payments of undisputed statutory dues towards PF, TDS during the year. Balances of input tax credit under goods and service tax are not in confirmation with balances appearing in the online portal.
- viii. No internal audit report is available.
- ix. We have not been provided with sufficient, appropriate audit evidence relating to classification of trade payable dues to MSME and trade payable dues other than MSME. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.
- x. Balance of trade payables are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade payables of the



company could not be verified as the confirmation of balances have not been provided and made available to us.

xi. Confirmation of balances of, security deposits, balances with government authorities, bank balances, Bank FDRs have not been provided to us, we are unable to comment on the possible impact, if any, arising out of the said matters.

xii. As informed to us the bank accounts of the company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department. Moreover, several litigations are ongoing with the Income Tax Department against which the company has also deposited Rs 118.67 lacs for different financial years under protest, however we have not been provided with details and current status of the said litigations. We are unable to comment on possible impact, if any arising out of the said matter.

Our report is not modified in respect of the above matter stated.

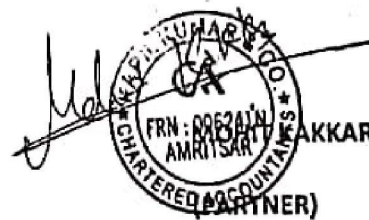
DATE: 13th August 2021

PLACE: AMRITSAR

For KAPIL KUMAR & CO.

CHARTERED ACCOUNTANTS

FRN: 006241N



M.NO: 538844

UDIN:21538844AAAAFA5719

KAPIL KUMAR
B.Com, F.C.A

CHIRAG AGGARWAL
B.Com(H), F.C.A

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT

Auditor's Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Samtex fashions limited

We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of M/s Samtex Fashions Ltd ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates and joint ventures for the quarter ended June 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", Issued by the Institute of Chartered Accountants of India. A review of Interim financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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We also performed procedures in accordance with the circular Issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the following entities:

- i. M/s SSA International Ltd (along with its wholly owned subsidiary M/s Lina Global INC).
- ii. M/s Arlin Foods Ltd

Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention (other than basis of qualified conclusion and emphasis of matter mentioned below) that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the Information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty to Going Concern:

The Group has made losses during the current year and the preceding year. As a result of the losses, the liquidity position of the group has been substantially affected, the net worth of group has fully eroded and group's current liabilities exceeded its current assets as at the balance sheet date, adversely affecting the operations of the group. Moreover, no business activity has been undertaken throughout the year, indicating the existence of uncertainty about the ability of the group to continue as a going concern.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as going concern and therefore the group may be unable to realize its assets and discharge its liabilities in the normal course of business. As a result of ongoing matters, we are unable to determine as to whether any adjustment that would have been necessary and required to be made in respect of trade receivable, trade payables, borrowings, current liabilities, loans and advances and contingent liabilities as at 31st March, 2021 and in respect of the corresponding possible impact of such items and associated elements on the statement for the year ended on that date, should the group be unable to continue as a going concern. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying consolidated financial statements. However, the financial statements of the group have been prepared on a going concern basis.



Basis of Qualified Conclusion

- i. The wholly owned subsidiary M/s SSA International Ltd has defaulted in repayment obligations towards banking institutions. The subsidiary company M/s SSA International had not made provision of Interest on Cash credit/Term loan charged by banks/financial institutions during the current year and earlier years on various loans taken from Bank / Financial Institutions in the Financial Statements. Had the company made such Interest provision in the Statement of Profit and loss, the loss for the year and the accumulated would have been higher. The non-recognition of interest expenses is not in accordance with Ind AS on borrowing costs requirement.
- ii. Originally the plant of the holding company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in march 2019 the company further changed its business premises to Plot no 163, Udyog Vihar, Greater Noida, UP- 201308 and since then no manufacturing activity has been carried on. As per information furnished to us the company has further entered into a rent agreement in the month of January 2021 to shift its business premises to D1/3, Industrial Area, Vill-Rajarampur, Sikandrabad, Bulandshahar UP-203205, however till date the company is unable to shift its assets and business operations to new premises. We have not been provided with the copy of rent agreement to verify the term & conditions mentioned there in The Company is required to determine impairment in respect of fixed assets, However the Company has not done impairment testing. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the financial statements is not ascertainable.
- iii. Balance of debtors are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade receivables of the company could not be verified as the confirmation of balances have not been provided and made available to us. Trade receivables amounting Rs 28,518.86 lacs outstanding as on 30.06.2021 which are long overdue and not provided for. Allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out Impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.
- iv. The group has not followed the treatment for recognition and re-measurement of employee benefit costs as detailed in the Ind As 19



Qualified Conclusion

Based on our review conducted as stated above, except (for the effects of matters described in the 'Basis of Qualified conclusion paragraph above) nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

- i. The group has not under taken any business activity during the year.
- ii. The Holding company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The holding company has also received a notice from IDBI Bank Ltd as to why the company along with its subsidiary SSA International Ltd (Main Borrower) and others should not be declared as wilful defaulters. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018.
- iii. Confirmation of balances are not available for loans, trade payables, security deposits, balances with government authorities, bank balances, FDR's along with interest thereon and bank loans as at June, 2021. That is why the transactions (if any) made by the banks in the accounts of the company could not be reconciled in the absence of information bank account statements of these accounts. Moreover, there are several bank current accounts having balances amounting to Rs 51.54 lacs as on 30.06.2021 as per books of accounts of the subsidiary company M/s SSA International Ltd, no transactions have been made in these accounts during the year and we have not been provided with the bank account statements of these accounts to confirm the balances. In absence of such details we are unable to comment on the possible impact, it any, arising out of the said matters.



- iv. The group had given loans and advances as on 30.06.2021, majority of which are outstanding from long time. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable. Moreover, we have not been provided with justification giving said advance and sufficient, appropriate audit evidence relating to verification of the same. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.
- v. We have not been provided with sufficient, appropriate audit evidence relating to physical verification/ availability of fixed assets and inventory. Pending completion of such verification we are unable to comment on the possible impact, if any, arising out of the said matters.
- vi. As of 30th June 2021, the holding company's inventory amounting to Rs 25.31 lacs and as no business activity has been taken out during the year, the inventories have not been used for a long period of time, the company has not provided for if any inventory item is damaged or has become obsolete or if the selling price has declined.
- vii. The group is not regular in payments of undisputed statutory dues towards PF, TDS during the year. Balances of input tax credit under goods and service tax are not in confirmation with balances as appearing in the online portal.
- viii. No internal audit report has been made available.
- ix. We have not been provided with sufficient, appropriate audit evidence relating to classification of trade payable dues to MSME and trade payable dues other than MSME. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.
- x. The Company has balance of recognized Deferred Tax Asset as on 30.06.2021 amounting Rs 652.6 lacs, in absence of probable certainty and convincing evidence for taxable income in future, we are unable to ascertain the extent to which these deferred tax assets can be utilized. Further the company has not recognized fresh Asset/Liability during the quarter ended 30.06.2021.
- xi. As informed to us the bank accounts of the holding company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department. Moreover, several litigations are ongoing with the Income Tax Department against which the holding company has also deposited Rs 118.67 lacs for different financial years under protest, however we have not been provided with details and current status of the said litigations. We are unable to comment on possible impact, if any arising out of the said matter.



Our report is not modified in respect of the above matter stated.

Other Matter

The consolidated financial results include the unaudited financial statements/ financial information of M/s Lina Global Inc (wholly owned subsidiary of M/s SSA International Ltd), whose financial statements/ financial information for the quarter ended June 2021 have not been reviewed by their auditors and have been furnished to us by the Management and our report on the results, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on such unreviewed results.

FOR KAPIL KUMAR & CO

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO: 006241N



MEMBERSHIP NUMBER: 538844

AMRITSAR

13TH AUGUST 2021

UDIN:21538844AAAFB258