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BKV INDUSTRIES LIMITED

Date: July 03, 2024

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400 001.

SCRIP Code: 519500

Sub: Submission of Auditors Report for Year Ended March, 2024.

Ref: BSE email dated June 28, 2024 seeking Auditors Report as required under SEBI circular
CIR/CFD/CMD1/80/ 2019 dated July 19, 2019.

Dear Sir(s),

With reference to the above, we would like to submit Audit Report for the year ended
March 2024 as per attachment.

Thanking you,

Yours truly,
For **BKV Industries Limited,**

(Budavaram Virat Vishnu),
Company Secretary & Compliance Officer.

Independent Auditor's Report on the Quarterly and Year to Date Standalone Audited Standalone Financial Results of the Company Pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

The Board of Directors of **B.K.V. Industries Limited**

Report on the Audit of the Standalone Ind AS Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone Ind AS financial results of BKV Industries Limited (the "Company"), for the quarter and year ended March 31, 2024 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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 the Listing Regulations in this regard, and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2024 and for the year ended March 31, 2024



Basis for Opinion

We conducted our audit in accordance with the Standards of Auditing (SAs) specified under Section 143 (10) of Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with the requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Standalone Ind AS Financial Results:

The Standalone Ind AS financial results indicate that the company has considerable accumulated losses, though the company earned marginal net profit during the current year, and as at the Balance Sheet Date. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, as the company has consistent lease income and the lease is meeting its financial commitment as per the agreement and hence the company is able to meet its financial commitments from time to time and hence, the accounts have been drawn up on going concern basis.

The company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment and other assets. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.

The company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. Our opinion is not qualified in this matter.



Management's Responsibilities for the Standalone Ind AS Financial Results

The Statement has been prepared on the basis of the standalone annual financial results. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

Identify and assess the risks of material misstatement of the Statement, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



GARLAPATI & CO.,
CHARTERED ACCOUNTANTS

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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 safe guards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

Place : Guntur
Date : 28.05.2024

For **Garlapati & Co,**
Chartered Accountants
Firm Regn.No. 000892S



S. Narayana
CA Garlapati Satyanarayana
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