

**Statement on Impact of Audit Qualifications (for audit report with un-modified opinion)
submitted with Statement of Standalone Audited Financial Results for the Quarter/ Year ended
31 March, 2024**

Statement on Impact of Audit Qualifications for the Statement of Standalone Audited Financial Results for the Quarter/ Year ended 31 March 2024				
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (In Lakhs) (except EPS)	Adjusted Figures unaudited figures after adjusting for qualifications) (In Lakhs) (except EPS)
	1.	Turnover/ Total income	4212.46	4212.46
	2.	Total Expenditure	4097.90	4097.90
	3.	Net Profit/(Loss)	99.31	99.31
	4.	Earnings Per Share	0.67	0.67
	5.	Total Assets	9209.31	9209.31
	6.	Total Liabilities	9209.31	9209.31
	7.	Net Worth	3835.85	3835.85
		Any other financial item(s) (as felt appropriate by the management)	0.00	0.00
II.	a.	Audit Qualification (each audit qualification separately):	<i>We draw attention to uncertainty relating to recoverability from Trade Receivables Rs. 1153.84 Lakhs due to no direct confirmation received from debtors.</i>	
	b.	Type of Audit Qualification	<i>Emphasis of Matter</i>	
	c.	Frequency of qualification	<i>Appeared for the first time.</i>	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<i>We acknowledge the uncertainty surrounding the recoverability of our Trade Receivables totaling Rs. 1153.84 Lakhs, primarily due to the absence of direct confirmations from our debtors. This lack of confirmation presents a significant challenge in assessing the likelihood of recovering the outstanding amounts owed to us. In response to this issue, we have intensified our efforts to obtain confirmations from our debtors through various means, including direct communication, follow-up requests, and reminders. Additionally, we are implementing measures to enhance our procedures for documentation and confirmation processes in the future. This includes revising our communication strategies, setting up automated reminder systems, and streamlining our record-keeping practices to ensure that all relevant information regarding trade receivables is accurately documented and readily accessible. By strengthening our confirmation procedures and documentation practices, we aim to mitigate the uncertainty surrounding the recoverability of our Trade Receivables and ensure more reliable financial reporting in the future.</i>	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	NA	
		(i) Management's estimation on the impact of audit qualification:		

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II.	a.	Audit Qualification (each audit qualification separately):	<i>We draw attention to uncertainty relating to recoverability from Trade Receivables Rs. 1153.84 Lakhs due to no direct confirmation received from debtors.</i>	
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	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<i>We acknowledge the uncertainty surrounding the recoverability of our Trade Receivables totaling Rs. 1153.84 Lakhs, primarily due to the absence of direct confirmations from our debtors. This lack of confirmation presents a significant challenge in assessing the likelihood of recovering the outstanding amounts owed to us. In response to this issue, we have intensified our efforts to obtain confirmations from our debtors through various means, including direct communication, follow-up requests, and reminders. Additionally, we are implementing measures to enhance our procedures for documentation and confirmation processes in the future. This includes revising our communication strategies, setting up automated reminder systems, and streamlining our record-keeping practices to ensure that all relevant information regarding trade receivables is accurately documented and readily accessible. By strengthening our confirmation procedures and documentation practices, we aim to mitigate the uncertainty surrounding the recoverability of our Trade Receivables and ensure more reliable financial reporting in the future.</i>	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	NA	
		(i) Management's estimation on the impact of audit qualification:		

	<p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p>	
	<p>a. Audit Qualification (each audit qualification separately):</p> <p>b. Type of Audit Qualification</p> <p>c. Frequency of qualification</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p> <p>a. Audit Qualification (each audit qualification separately):</p>	<p><i>We unable to comment on Loans and Advances to others due to no interest income / other income booked against loans to others. Management not providing any provision for doubtful debts against recoverability of loans and advances.</i></p> <p><i>Emphasis of Matter</i></p> <p><i>Appeared for the first time.</i></p> <p><i>We understand your concern regarding the lack of interest or other income booked against loans to others. The management is currently reviewing the loan agreements and assessing the need for provisions for doubtful debts. We will ensure that appropriate measures are taken to address this issue and necessary provisions are made where required.</i></p> <p>NA</p> <p><i>We regret to inform you that we are unable to provide commentary on the valuation of our inventory. The management has solely valued the inventory at cost, and we have encountered challenges in obtaining sufficient documentation regarding the physical condition of our inventory. This limitation stems from a lack of comprehensive records or reports detailing the condition, location, or status of our inventory items. Without adequate documentation on the physical condition of the inventory, it becomes difficult to assess its true value accurately. To address this issue, we are taking several steps to enhance our inventory management practices. First, we are implementing improved documentation procedures to ensure that all relevant information regarding inventory physical conditions is systematically recorded and maintained. This will involve conducting regular physical inspections and assessments of our inventory, with detailed reports generated to document any observed discrepancies or damages. Additionally, we are exploring the adoption of inventory management software that offers advanced tracking and reporting features, allowing us to maintain real-time visibility into our inventory levels and conditions. By enhancing our inventory management processes and documentation practices, we aim to provide a more comprehensive and accurate valuation of our inventory in future reporting</i></p>

	<i>periods.</i>
b. Type of Audit Qualification	<i>Emphasis of Matter</i>
c. Frequency of qualification	<i>Appeared for the second time.</i>
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<i>The inventory has been valued at cost as per our current policy. We are aware of the need for proper documentation of the physical condition of the inventory. Steps are being taken to improve our inventory management system to provide sufficient documentation and ensure accurate valuation.</i>
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	NA
(i) Management's estimation on the impact of audit qualification:	
(ii) If management is unable to estimate the impact, reasons for the same:	
f. (iii) Auditors' Comments on (i) or (ii) above:	

a. Audit Qualification (each audit qualification separately):	<i>We draw your attention to the fact that the closing balances for both debtors and creditors have been relied upon as per our books of accounts where direct confirmations from debtors and creditors were unavailable. To enhance the reliability of our financial reporting, we are implementing a comprehensive plan that includes sending out confirmation requests well in advance, enforcing rigorous follow-up procedures, maintaining detailed records, and using a dedicated tracking system. Discrepancies will be promptly investigated and resolved. Internal reviews and regular audits will ensure ongoing accuracy, while strengthened internal controls will detect and correct errors. Management representations will be backed by robust documentation, with regular auditor meetings to address issues in real-time. We will adopt automated accounting software for efficient tracking, and conduct staff training on best practices and compliance with auditing standards. Transparent communication with stakeholders will include regular updates on the status of confirmations. These measures aim to improve the accuracy and reliability of our balances, ensuring they are based on verified data rather than solely on management representations, thereby upholding the highest standards of financial integrity and transparency.</i>
b. Type of Audit Qualification	<i>Emphasis of Matter</i>
c. Frequency of qualification	<i>Appeared for the first time.</i>
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<i>We rely on the balances as per our books of accounts in cases where confirmations from debtors and creditors are not available. We appreciate your concern and will work towards obtaining more direct confirmations to substantiate these balances. We are committed to improving our reconciliation processes and ensuring accurate representations.</i>
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	NA

<p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p>	
<p>a. Audit Qualification (each audit qualification separately):</p>	<p><i>It was observed that the company doing substantial sales & purchase transaction with related parties, the management not provide compliance document with respect to section 188 of Companies Act, 2013.</i></p>
<p>b. Type of Audit Qualification</p>	<p><i>Emphasis of Matter</i></p>
<p>c. Frequency of qualification</p>	<p><i>Appeared for the first time.</i></p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>	<p><i>We note the observation regarding substantial transactions with related parties and the lack of compliance documentation under Section 188 of the Companies Act, 2013. The management will review all related party transactions and ensure compliance with the required provisions. Necessary documentation and disclosures will be provided in accordance with the statutory requirements.</i></p>
<p>f. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>e. (iii) Auditors' Comments on (i) or (ii) above:</p>	<p>NA</p>
<p>a. Audit Qualification (each audit qualification separately):</p>	<p><i>The Company has not recovered the requisite goods & services taxes (GST) on sales made during the year amounting to Rs. 38, 98,36,995/- where GST was applicable. Consequently, the Company has not provided all determinable liabilities under the Goods and Services Tax Act (GST), as applicable.</i></p>
<p>b. Type of Audit Qualification</p>	<p><i>Emphasis of Matter</i></p>
<p>c. Frequency of qualification</p>	<p><i>Appeared for the first time.</i></p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>	<p><i>The company acknowledges the issue regarding the non-recovery of GST on applicable sales amounting to Rs. 38,98,36,995/-. We are in the process of reviewing our GST compliance procedures and will take corrective actions to ensure all determinable liabilities under the GST Act are accurately recorded and recovered in future transactions.</i></p>
<p>g. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>e. (iii) Auditors' Comments on (i) or (ii) above:</p>	<p>NA</p>

a. Audit Qualification (each audit qualification separately):	<i>We note that company is not maintaining books of accounts in software which having audit log features as prescribed under Rule 3 (1) of the Companies (Accounts) Rules, 2014 for the review period.</i>
b. Type of Audit Qualification	<i>Emphasis of Matter</i>
c. Frequency of qualification	<i>Appeared for the second time.</i>
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<p><i>We recognize the critical importance of maintaining our books of accounts using software equipped with audit log features, as mandated by Rule 3(1) of the Companies (Accounts) Rules, 2014. This requirement ensures that all financial transactions are recorded in a manner that allows for comprehensive tracking and auditing, thus enhancing the overall integrity and reliability of our financial reporting.</i></p> <p><i>To address this, the company has initiated a project to upgrade our current accounting software to a more advanced system that includes robust audit log capabilities. This upgrade will enable us to capture a complete and unalterable record of all transactions, including details of any modifications or deletions, along with the identity of the user making such changes and the time at which they occurred.</i></p> <p><i>We are currently in the process of selecting the most suitable software that meets these requirements and are working with our IT and finance teams to ensure a smooth transition. This upgrade is expected to be completed within the next 3 (three) months after which we will conduct thorough testing and training sessions to ensure all relevant personnel are adept at using the new system.</i></p>
h. 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: e. (iii) Auditors' Comments on (i) or (ii) above:	NA

Signatories:

• CEO/Managing Director	<i>Geeva</i>
• CFO	<i>Pankaj</i>
• Audit Committee Chairman	<i>Vishal Kumar</i>
• Statutory Auditor	<i>Ramesh</i>

Place: Jaipur

Date: 11.06.2024