



VBC FERRO ALLOYS LIMITED

(An ISO 9001-2000 Company)



VBCFAL / SEC / 2020 /

August 14, 2020

BSE Limited
Department of Corporate Services - CRD
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400 001

Dear Sir / Madam,

Sub: Intimation regarding receipt of Resignation from Statutory Auditors of the Company in pursuance to Regulation 30(6) read with Schedule III of SEBI Listing Regulations.

Ref: Scrip Code: 513005

With reference to the above subject, we have already intimated the exchange that M/s C.V. Ramana Rao & Co, Chartered Accountants, vide their letter dated August 08, 2020 have resigned as Statutory Auditors of the Company effective immediately.

A copy of the said resignation letter and Annexure–A, as per SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 received from the Auditors, are attached herein for your kind information and records.

Thanking You,

Yours faithfully
for VBC Ferro Alloys Limited



M.V. Ananthakrishna
Whole-Time Director



08.08.2020

The Board of Directors,
VBC Ferro Alloys Limited,
Hyderabad.

Dear Sirs,

Re: Our resignation as the statutory auditors of the company – Reg:

You are aware regarding the ever escalating human suffering all over the world, which is never imagined in our life time greatly disrupting the living of the human being caused by pandemic "COVID 19 since last six months. Experts are of the opinion that the severity of the pandemic will increase in the coming months and may not be controlled until vaccine for the same is invented, which may happen in 2021 only.

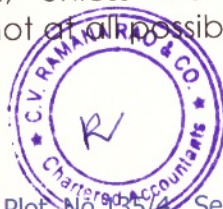
Already we are experiencing very severe, restrictions on travel and stay at out-station locations, due to wide spread increase in COVID 19, cases day by day, resulting in daily increase in "containment zones", further increasing the danger to the wellbeing of individual, who intend to come out of their residences. As the general awareness among the public, regarding maintenance of physical distance, using of masks etc. is unfortunately continue to be very low, in spite of the efforts put in by both the central and state governments, the COVID cases are fast increasing every day.

Accordingly, on a very liberal estimates the pandemic may come under control only in 2021 if not later.

This has resulted in severe constrains to the auditing fraternity in carrying out the statutory audits for the financial year ending 31st March 2020, as they are unable to make physical visits to the companies which they audit. Accordingly, our Institute has issued certain guidelines, limited to the financial year ending 2020 on conducting the statutory audits, which we have in carrying out the audit of your company.

You are kindly aware the responsibilities of the statutory auditors' of listed companies have increased manifold in the recent times, due to various enactments of MCA, SEBI etc., coupled with the establishment of "NFRA", which has started functioning.

As your company, a listed company, maintains its books of account on "tally system" and the vouchers are manually prepared it is not possible to conduct a comprehensive verification, unless we make physical visits to your company's premises, which is not of all possible for at least a couple of years.



D.No.1-88-19, Plot No. 135/4, Sector-4, MVP Colony,
VISAKHAPATNAM-530 017. A.P., INDIA.

Ph : Off : (91-891) 2754071, E-mail : cvramanaraoandco@gmail.com

Further, your company is expected to commence its production activities and accordingly, for carrying out a comprehensive audit in a timely manner, physical visits by the partners and audit staff of our are very essential, which is not at all possible. In fact, for the last five months most of the audit staff and the partners of our firm are attending to the work from their homes only and expect to do the same for the financial year 2020.21 in respect of companies, located outside Visakhapatnam for which we are auditors. This is not possible in your company's case as we are away more than 750 KMs.

Under these circumstances we regret to inform you about our resignation as the statutory auditors of your company from the financial year 2020.21 onwards.

We thank you very much for the great professional opportunity your company has provided to us in auditing your esteem company.

Though we resign as the statutory auditors of your esteemed company, we are always available for any professional service to your company.

Thanking you.

**For CV Ramana Rao & Co.,
Chartered Accountants,
Firm Regd. No. 002917S**


**K Katyayani
Partner**





Annexure A
Information of Resignation

1. Name of the listed entity/ material subsidiary: M/s. VBC Ferro Alloys Limited
2. Details of the statutory auditor-
 - a. Name: M/s. C V Ramana Rao & Co.,
 - b. Address: 1-88-19, Plot No: 135/4, Sector-4,
MVP Colony, Visakhapatnam – 530 017
 - c. Phone number: 0891-2754071
 - d. Email: cvramanaraoandco@gmail.com
3. Details of association with the listed entity/ material subsidiary-
 - a. Date on which the statutory auditor was appointed: 29.09.2017
 - b. Date on which the term of the statutory auditor was scheduled to expire: 31.03.2022
 - c. Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission:

Independent Auditor's Report for the financial year ended 31.03.2020

4. Detailed reasons for resignation:

Due to wide spread increase of pandemic "COVID 19", we are experiencing very severe restrictions on travel and stay at outstation locations. Experts are of the opinion that the severity of the pandemic will increase in the coming months and may not be controlled until vaccine of the same is invented, which may happen in 2021 only.

As the responsibilities of the statutory auditors' of listed companies have increased manifold in the recent times, we have to carry out a comprehensive audit in a timely manner. Accordingly, physical visits to the company's premises by the partners and audit staff are very essential to conduct a comprehensive verification, which is not at all possible in current scenario as we are away for more than 750 Kms.

Under these circumstances, we could not continue as the statutory auditors of the company from the financial year 2020-21 onwards.



5. In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors) – Not Applicable

6. In case the information requested by the auditor was not provided, then following shall be disclosed:

a. Whether the inability to obtain sufficient appropriate audit evidence was due to a management-imposed limitation or circumstances beyond the control of the management. – Not Applicable

b. Whether the lack of information would have significant impact on the financial statements/results. – Not Applicable

c. Whether the auditor has performed alternative procedures to obtain appropriate evidence for the purposes of audit/limited review as laid down in SA 705 (Revised) – Not Applicable

d. Whether the lack of information was prevalent in the previous reported financial statements/results. If yes, on what basis the previous audit/limited review reports were issued. – Not Applicable

7. Any other facts relevant to the resignation: NA

Declaration

1. We hereby confirm that the information given in this letter and its attachments is correct and complete.

2. We hereby confirm that there is no other material reason other than those provided above for my resignation/ resignation of my firm.

For C.V. RAMANA RAO & CO.
CHARTERED ACCOUNTANTS

Kalyan

Signature of the authorized signatory

Date: 08.08.2020

Place: Visakhapatnam



Encl:

Copy of our Resignation letter dated 08.08.2020