ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	Sl. No.	Particulars	Audited Figures (Rs. in Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (Rs. in Lakhs) (audited figures after adjusting for qualifications)
I.	1.	Turnover / Total income	8926	NA
	2.	Total Expenditure	23320	NA
	3.	Net Profit/(Loss) (including other comprehensive income)	(41699)	NA
	4.	Earnings Per Share	(415.22)	NA
	5.	Total Assets	38108	NA
	6.	Total Liabilities	58414	NA
	7.	Net Worth	(20306)	NA
	8.	Any other financial item(s) (as felt appropriate by the management) (Exceptional Items - Expense)	(25953)	NA

II. <u>Audit Qualification (each audit qualification separately):</u>

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
1. (a)	We draw attention to Note 2 of the accompanying Standalone Financial results, regarding the following accounting adjustments, as detailed in the said note, carried out during the quarter/year ended March 31, 2022 by the Company to rectify accounting mistakes/ misstatements made in the books of accounts in the previous financial years, based on the findings of the Management audit report as stated in the said note and its consideration by the Board of Directors in its meeting held on September 13, 2022. Loans amounting to Rs. 3276 Lakhs & Rs. 1200 Lakhs were received from the promoters/ promoter's group of companies and other lenders respectively in earlier years which were wrongly credited to Inventories account instead of respective loans account. The same has been rectified by the management by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated has been written off and shown as exceptional item. We were unable to obtain sufficient appropriate audit evidence with respect to above adjustment for accounting mistakes/ misstatements occurred in earlier years.	Disclaimer of Opinion	First time	Not Applicable	The audited Standalone Financial Results of TIL Limited ('the Company') for the financial year ended 31st March, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors on 19th September 2022. Adjustment for accounting mistakes as stated herein have been carried out in the current year based on the Management Audit Report. No further adjustment is required.	Not Applicable	As the accounting mistakes/ misstatements pertain to earlier years and since the adjustments have been carried out based on the management audit report, in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness of such accounting adjustments, we are unable to comment on such adjustments and whether any other adjustment was required.

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
(b)	Based on the findings of the Management audit report, a difference of Rs. 11109 lakhs have been identified by the Management between the Inventory as shown in the books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises of Rs. 4476 lakhs as mentioned in point no.(a) above and further difference of Rs. 6633 Lakhs owing to certain wrong accounting carried out. The above differences have been written off during the quarter/year end to reflect the correct position of Inventory as on the Balance Sheet date. We were unable to obtain sufficient appropriate audit evidence with respect to the reasons for above differences as on Balance Sheet date:	Disclaimer of Opinion	First time	Not Applicable	Based on the Management Audit Report, differences in the Inventory has been provided in the current year & which reflect the correct position of Inventory as on 31st March, 2022.	Not Applicable	As the accounting mistakes/ misstatements pertain to earlier years and since the adjustments have been carried out based on the management audit report, in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness of such accounting adjustments, we are unable to comment on such adjustment and whether any other adjustment was required.

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
(c)	During the year, the management had engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor's report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of Rs. 3299 lakhs (including Rs.282 lakhs based on internal assessment of the management) has been written off/ provided for and also shown as exceptional item. However, the above physical verification was not observed by us and we have relied solely on the surveyor's report. Further, the management do not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary. However, as no physical verification of inventory and its value assessment was done by the management to the extent as mentioned above, we are unable to determine whether any further adjustment is required in this regard.	Disclaimer of Opinion	First time	Not Applicable	The management reiterates that it does not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary.		In absence of PV of Inventory and its value assessment for the remaining 41% of the Inventory, we are unable to determine whether any further adjustment is required in this regard.

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
(d)	Trade receivables amounting to Rs. 14394 lakhs against invoices raised in earlier years as identified by the management auditors were without adequate supporting and further Rs. 2980 lakhs as identified by the management have been considered as irrecoverable. Further, based on management's internal assessment on the recoverability of other trade receivables, additional balances amounting to Rs. 2923 Lakhs have also been identified as irrecoverable. Hence a sum of Rs. 8348 Lakhs (net of Rs. 5830 lakhs of further provision during the year and utilisation of Rs. 6119 Lakhs out of provisions made in earlier years) have been written off and shown as exceptional item. The above adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence.	Disclaimer of Opinion	First time	Not Applicable	The management confirms that the adjustments have been made on the basis of the Management Audit Report & is confident of recovery of outstanding trade receivable shown in the balance sheet as at March 31st, 2022.		Since the adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence, hence we are unable to comment whether any further adjustment is required.

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
(e)	During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees of the Company without receipt of supplies and the banks later recovered the money from the Company which has been debited to suppliers accounts and shown as advances. Consequently, such advances to the tune of Rs. 3232 Lakhs could not be recovered and hence a sum of Rs. 1400 lakhs have been written off and balance amount of Rs. 1832 lakhs has been provided and shown as exceptional item. The reasons for bifurcation between the amount of write-off and provisions as stated above, is solely based on management estimates. The company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. Further, an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) has also been ongoing since June 2021 in respect to sales/purchase transactions entered into by the company with these vendors and the matter is pending with DRI. In the opinion of the management, the company does not foresee any additional liability in this regard. Pending outcome of the above enquiry, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Standalone Financial Statements.	Disclaimer of Opinion	First time	Not Applicable	The Company has been engaged into certain trading activities since financial year 2019-2020 and has been complying with all the requisite rules & regulations including "The Goods & Services Tax Act 2017". The Company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. As regards enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI), no order has been passed by DRI till date. The Company does not foresee any additional liability in this regard.		Since the matter is pending with DRI, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Standalone Financial results.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
2.	We draw attention to note 3 of the standalone financial results, which states that the Company has not restated the financial statements of the previous years in which the accounting mistakes/misstatements occurred, as per the requirements of Indian Accounting Standard -8, "Accounting Policies, Changes in Accounting Estimates and Errors" and made accounting adjustments for accounting mistakes/misstatements as mentioned in the paragraph 1 above in the current financial year ended 31st March 2022. Further, as explained to us, the Company has not approached "National Company Law Appellate Tribunal" (NCLT) as per the provisions of section 130 & 131 of the Companies Act 2013, which requires prior approval of NCLT for recasting of earlier period financial statements. Further, as stated in note 1 above, the adjustments to rectify the accounting mistakes/ misstatements have been made by the management solely based on the management audit report. As these accounting mistakes/ misstatements are pertaining to earlier years as mentioned in the management audit report, we have been unable to carry out any additional procedures to ensure the completeness of the same and are unable to comment on the opening balances brought forward in the current financial year in the books of account.	Disclaimer of Opinion	First time	Not Applicable	Considering the provision of sections 130 & 131 of the Companies Act 2013, requiring prior approval of "National Company Law Appellate Tribunal" for recasting of earlier period financial statements, the Company has carried out the required accounting adjustments in the current financial year ended 31st March 2022 as exceptional items and has disclosed the adjustment made by way of notes to the standalone financial results. Further, the Company is confident that the adjustments carried out pertaining to mistakes/ misstatements of earlier years are complete and no further adjustments are required.		As the accounting mistakes/ misstatements pertain to earlier years and in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness, we are unable to comment on the opening balances brought forward in the current financial year in the books of account.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
3.	Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs.9284 lakhs and Rs.3873 lakhs respectively was outstanding as on the Balance Sheet date. The Company could not get necessary confirmations from the respective parties and due to no material subsequent movement in such balances, alternate procedure to verify those balances could also not be performed. Further, the Company could not get confirmations for Bank Guarantees and Letter of credit issued by Banks to extent of Rs. 2197 lakhs and Rs.154 Lakhs respectively and also confirmations for Loans from bodies corporate to extent of Rs.265 Lakhs. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on March 31, 2022 and related disclosures in these Standalone Financial Statements.	Disclaimer of Opinion	First time	Not Applicable	The outstanding balances of Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs.9284 lakhs and Rs.3873 lakhs respectively as on the Balance Sheet date are correctly recorded by the Company. Balance confirmation from the respective parties are awaited. Further, the management is also confident of recovery of outstanding trade receivables & advances as stated above. Further, the amount of bank guarantee, Letter of credit issued by Banks and loans from bodies corporates for which confirmations have not been received are correct.		In absence of requisite balance confirmation and inability to adopt alternate audit procedures to verify the year-end balances, we are unable to comment on the correctness of balances as mentioned in the audit disclaimer point and adjustments if any required to the said balances as on March 31, 2022.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
4.	We draw attention to note 4 of the standalone financial results regarding carry forward of MAT Credit of Rs. 3026 lakhs as on March 31,2022 (a component of deferred tax asset in the financial statement) which has been accounted for in earlier years and in the opinion of the management, sufficient future taxable profit will be available against which these unused tax credit can be utilised within the stipulated period. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.	Disclaimer of Opinion	First time	Not Applicable	The management is of the view that sufficient future taxable profit will be available against which these unused tax credits can be utilised within the stipulated period under the provisions of Income Tax Act 1961.		In the absence of projections to substantiate that sufficient future taxable profit will be available against which these unused tax credits can be utilized, we are unable to comment on the utilization of said MAT credit balance.
5.	The Company has not carried out fair valuation of interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs.15829 lakhs as required under Ind AS-109 and its impact on financial statements has not been ascertained by the management. In absence of fair valuation of above interest free loans, we are unable to determine its impact on the standalone financial statements.	Disclaimer of Opinion	First time	Not Applicable	Loans received from the promoters/ promoter's group of companies and other lenders aggregating to Rs.15829 lakhs is interest free as the same has been waived by respective lenders. Accordingly, there would be no impact on the standalone financial results as the same are at fair value.		Interest free loans should be accounted at fair value as per Ind AS 109. Fair value would be the discounted value using the prevailing market rate of interest of similar instruments with similar terms. Hence, we are unable to determine its impact on the standalone financial results.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
6.	We draw attention to note 6 of the standalone financial results regarding materials valuing Rs. 3787 lakhs lying in Bonded Warehouse/ port as on March 31, 2022 which includes Rs. 2433 lakhs imported in earlier years and disclosed as Stock in transit in the Financial Statements which were not released from customs authorities due to non payment of custom duty, other charges etc. The Company has obtained confirmation from its logistics partner regarding the existence of the inventory as at the balance sheet date and the management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary. However, as these materials are lying for a considerable period of time and due to non availability of its technical assessment, we are unable to determine whether any provision for obsolescence are required in this regard.	Disclaimer of Opinion	First time	Not Applicable		Stock in Transit as mentioned herein has been confirmed by the logistics partners of the Company. The same could not be released due to non-payment of custom duty, other charges, etc. Further, the management does not expect any material loss on account of any obsolescence in these stocks due to passage of time and no provision is considered necessary.	As the impact and consequential adjustments could not be ascertained by the management, the same cannot be commented upon by us.
7.	Going Concern Assessment We draw attention to note 7 in the Standalone Financial results which states that during the year, the company has incurred a cash loss of Rs. 39352 lakhs (including adjustments as stated above) and its net worth has become negative as on the Balance Sheet date. Further, the	Disclaimer of Opinion	First time	Not Applicable	The management of the Company has been considering the feasibility and effectiveness of certain planned actions and considering the sales orders in hand, the management has concluded that the material		We are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
	Company's current liabilities exceeded its current assets by Rs. 17835 lakhs as at the balance sheet date. The Company's lenders have declared the loan facilities granted to the Company as Non Performing Asset (NPA) and the Company has also received advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12, 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next 12 months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.				uncertainties are expected to be mitigated and hence the standalone financial results have been prepared on a going concern basis.		liabilities as and when they become due over the period of next 12 months. The Company's lenders have declared the loan facilities granted to the Company as Non Performing Asset (NPA) and the Company has also received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12, 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
							Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.

III. Signatories:

CEO/Managing Director	**Mr. Sumit Mazumder** SUMIT MAZUMDER Digitally signed by SUMIT MAZUMDER Date: 2022.11.17 15:52:54 +05'30' Chairman and Managing Director
CFO	**Bipasha Banerjea** Bipasha Banerjea. Chief Financial Officer
Audit Committee Chairman	**Subir Bhattacharyya** SUBIR KUMAR BHATTACHARYYA Digitally signed by SUBIR KUMAR BHATTACHARYYA Date: 2022.11.17 15:47:46 +05'30' Audit Committee Chairman
Statutory Auditor	For Singhi & Co. Chartered Accountants Firm's Registration No. 302049E RAJIV SINGHI Digitally signed by RAJIV SINGHI Date: 2022.11.18 16:57:28 +05'30' **Rajiv Singhi** Partner Membership No. 053518
Place: Kolkata	
Date: 16.11.2022	

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (Rs. in Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (Rs. in Lakhs) (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	7713	NA
	2.	Total Expenditure	23576	NA
	3.	Net Profit/(Loss) (including other comprehensive income)	(43088)	NA
	4.	Earnings Per Share	(429.87)	NA
	5.	Total Assets	37977	NA
	6.	Total Liabilities	58075	NA
	7.	Net Worth	(20098)	NA
	8.	Any other financial item(s) (as felt appropriate by the management) (Exceptional Items - Expense)	(25953)	NA

II. **Audit Qualification (each audit qualification separately):**

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
1. (a)	We draw attention to Note 2 of the Consolidated Financial results, regarding the following accounting adjustments, as detailed in the said note, carried out during the quarter/year ended March 31, 2022 by the Parent Company to rectify accounting mistakes/ misstatements made in the books of accounts in the previous financial years, based on the findings of the Management audit report as stated in the said note and its consideration by the Board of Directors in its meeting held on September 13,2022. Loans amounting to Rs. 3276 Lakhs & Rs. 1200 Lakhs were received from the promoters/ promoter's group of companies and other lenders respectively in earlier years which were wrongly credited to Inventories account instead of respective loans account. The same has been rectified by the management by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated has been written off and shown as exceptional item. We were unable to obtain sufficient appropriate audit evidence with respect to above adjustment for accounting mistakes/ misstatements occurred in earlier years.	Disclaimer of Opinion	First time	Not Applicable	The audited Consolidated Financial Results of TIL Limited ('the Parent Company') for the financial year ended 31st March, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors on 19th September 2022. Adjustment for accounting mistakes as stated herein have been carried out in the current year based on the Management Audit Report. No further adjustment is required.	Not Applicable	As the accounting mistakes/ misstatements pertain to earlier years and since the adjustments have been carried out based on the management audit report, in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness of such accounting adjustments, we are unable to comment on such adjustments and whether any other adjustment was required.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
(b)	Based on the findings of the Management audit report, a difference of Rs. 11109 lakhs have been identified by the Management between the Inventory as shown in the books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises of Rs. 4476 lakhs as mentioned in point no.(a) above and further difference of Rs. 6633 Lakhs owing to certain wrong accounting carried out. The above differences have been written off during the quarter/year end to reflect the correct position of Inventory as on the Balance Sheet date. We were unable to obtain sufficient appropriate audit evidence with respect to the reasons for above differences as on the Balance Sheet date.	Disclaimer of Opinion	First time	Not Applicable	Based on the Management Audit Report of the Parent Company, differences in the Inventory has been provided in the current year & which reflect the correct position of Inventory as on 31st March, 2022.	Not Applicable	As the accounting mistakes/ misstatements pertain to earlier years and since the adjustments have been carried out based on the management audit report, in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness of such accounting adjustments, we are unable to comment on such adjustment and whether any other adjustment was required.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
(c)	During the year, the management had engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor's report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of Rs. 3299 lakhs (including Rs. 282 lakhs based on internal assessment of the management) has been written off/ provided for and also shown as exceptional item. However, the above physical verification was not observed by us and we have relied solely on the surveyor's report. Further, the management do not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary. However, as no physical verification of inventory and its value assessment was done by the management to the extent as mentioned above, we are unable to determine whether any further adjustment is required in this regard.	Disclaimer of Opinion	First time	Not Applicable	The management reiterates that it does not expect any further shortages or obsolescence in the balance 41% inventory of the Parent Company, not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary.		In absence of PV of Inventory and its value assessment for the remaining 41% of the Inventory of the Parent Company, we are unable to determine whether any further adjustment is required in this regard.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
(d)	Trade receivables amounting to Rs. 14394 lakhs against invoices raised in earlier years as identified by the management auditors were without adequate supporting and further Rs. 2980 lakhs as identified by the management have been considered as irrecoverable. Further, based on management's internal assessment on the recoverability of other trade receivables, additional balances amounting to Rs. 2923 Lakhs have also been identified as irrecoverable. Hence a sum of Rs. 8348 Lakhs (net of Rs. 5830 lakhs of further provision during the year and utilisation of Rs. 6119 Lakhs out of provisions made in earlier years) have been written off and shown as exceptional item. The above adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence.	Disclaimer of Opinion	First time	Not Applicable	The management confirms that the adjustments have been made on the basis of the Management Audit Report of the Parent Company & is confident of recovery of outstanding trade receivable shown in the balance sheet as at March 31st, 2022.		Since the adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence, hence we are unable to comment whether any further adjustment is required.

Sl. No.	(a) Details of Audit Qualification	(b) Type of Audit Qualification	(c) Frequency of qualification	(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	(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	(iii)Auditors' Comments on (i) or (ii) above
(e)	During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees of the Company without receipt of supplies and the banks later recovered the money from the Company which has been debited to supplier's accounts and shown as advances. Consequently, such advances to the tune of Rs. 3232 Lakhs could not be recovered and hence a sum of Rs. 1400 lakhs have been written off and balance amount of Rs. 1832 lakhs has been provided and shown as exceptional item. The reasons for bifurcation between the amount of write-off and provisions as stated above, is solely based on management estimates. The company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. Further, an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) has also been ongoing since June 2021 in respect to sales/purchase transactions entered into by the company with these vendors and the matter is pending with DRI. The company does not foresee any additional liability in this regard. Pending outcome of the above enquiry, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Consolidated Financial Results.	Disclaimer of Opinion	First time	Not Applicable	The Parent Company has been engaged into certain trading activities since financial year 2019-2020 and has been complying with all the requisite rules & regulations including "The Goods & Services Tax Act 2017". The Parent Company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. As regards enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI), no order has been passed by DRI till date. The Parent Company's management does not foresee any additional liability in this regard.		Since the matter is pending with DRI, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Consolidated Financial Results.

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2.	We draw attention to note 3 of the consolidated financial results, which states that the Parent Company has not restated the financial statements of the previous years in which the accounting mistakes/misstatements occurred, as per the requirements of Indian Accounting Standard -8, "Accounting Policies, Changes in Accounting Estimates and Errors" and made accounting adjustments for accounting mistakes/misstatements as mentioned in the paragraph 1 above in the current financial year ended 31st March 2022. Further, as explained to us, the Parent Company has not approached "National Company Law Appellate Tribunal" (NCLT) as per the provisions of section 130 & 131 of the Companies Act 2013, which requires prior approval of NCLT for recasting of earlier period financial statements. Further, as stated in note 1 above, the adjustments to rectify the accounting mistakes/ misstatements have been made by the management solely based on the management audit report. As these accounting mistakes/ misstatements are pertaining to earlier years as mentioned in the management audit report, we have been unable to carry out any additional procedures to ensure the completeness of the same and are unable to comment on the opening balances brought forward in the current financial year in the books of account.	Disclaimer of Opinion	First time	Not Applicable	Considering the provision of sections 130 & 131 of the Companies Act 2013, requiring prior approval of "National Company Law Appellate Tribunal" for recasting of earlier period financial statements, the Parent Company has carried out the required accounting adjustments in the current financial year ended 31st March 2022 as exceptional items and has disclosed the adjustment made by way of notes to the consolidated financial results for the said financial year. Further, the Parent Company is confident that the adjustments carried out pertaining to mistakes/ misstatements of earlier years are complete and no further adjustments are required.		As the accounting mistakes/ misstatements pertain to earlier years and in the absence of sufficient appropriate audit evidence to carry out additional procedures to ensure completeness, we are unable to comment on the opening balances brought forward in the current financial year in the books of account.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
3.	Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs.9284 lakhs and Rs.3873 lakhs respectively was outstanding as on the Balance Sheet date. The Parent Company could not get necessary confirmations from the respective parties and due to no material subsequent movement in such balances, alternate procedure to verify those balances could also not be performed. Further, the Parent Company could not get confirmations for Bank Guarantees and Letter of credit issued by Banks to extent of Rs. 2197 lakhs and Rs.154 Lakhs respectively and also confirmations for Loans from bodies corporate to extent of Rs.265 Lakhs. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on March 31, 2022 and related disclosures in these Consolidated Financial Results.	Disclaimer of Opinion	First time	Not Applicable	The outstanding balances of Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs.9284 lakhs and Rs.3873 lakhs respectively as on the Balance Sheet date are correctly recorded by the Parent Company. Balance confirmation from the respective parties are awaited. Further, the management is also confident of recovery of outstanding trade receivables & advances as stated above. Further, the amount of bank guarantee, Letter of credit issued by Banks and loans from bodies corporates for which confirmations have not been received are correct.		In absence of requisite balance confirmation and inability to adopt alternate audit procedures to verify the year-end balances, we are unable to comment on the correctness of balances as mentioned in the audit disclaimer point and adjustments if any required to the said balances as on March 31, 2022.

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4.	We draw attention to note 4 of the consolidated financial results, regarding carry forward of MAT Credit of Rs.3026 lakhs as on March 31,2022 (a component of deferred tax asset in the financial statement) which has been accounted for in earlier years and in the opinion of the management, sufficient future taxable profit will be available against which these unused tax credit can be utilised within the stipulated period. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.	Disclaimer of Opinion	First time	Not Applicable	The management of the Parent Company is of the view that sufficient future taxable profit will be available against which these unused tax credits can be utilised within the stipulated period under the provisions of Income Tax Act 1961.		In the absence of projections . to substantiate that sufficient future taxable profit will be available against which these unused tax credits can be utilized, we are unable to comment on the utilization of said MAT credit balance.
5.	The Parent Company has not carried out fair valuation of interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs.15829 lakhs as required under Ind AS-109 and its impact on financial statements has not been ascertained by the management. In absence of fair valuation of above interest free loans, we are unable to determine its impact on the consolidated financial results.	Disclaimer of Opinion	First time	Not Applicable	Loans received from the promoters/ promoter's group of companies and other lenders aggregating to Rs.15829 lakhs is interest free as the same has been waived by respective lenders. Accordingly, there would be no impact on the consolidated financial results as the same are at fair value.		Interest free loans should be accounted at fair value as per Ind AS 109. Fair value would be the discounted value using the prevailing market rate of interest of similar instruments with similar terms. Hence, we are unable to determine its impact on the consolidated financial results.

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6.	We draw attention to note 6 of the consolidated financial results regarding materials valuing Rs. 3787 lakhs lying in Bonded Warehouse/ port as on March 31, 2022 which includes Rs. 2433 lakhs imported in earlier years and disclosed as Stock in transit in the Financial Statements which were not released from customs authorities due to non payment of custom duty, other charges etc. The Company has obtained confirmation from its logistics partner regarding the existence of the inventory as at the balance sheet date and the management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary. However, as these materials are lying for a considerable period of time and due to non availability of its technical assessment, we are unable to determine whether any provision for obsolescence are required in this regard.	Disclaimer of Opinion	First time	Not Applicable		Stock in Transit as mentioned herein has been confirmed by the logistics partners of the Parent Company. The same could not be released due to non-payment of custom duty, other charges, etc. Further, the management of the Parent Company does not expect any material loss on account of any obsolescence in these stocks due to passage of time and no provision is considered necessary.	As the impact and consequential adjustments could not be ascertained by the Parent Company's management, the same cannot be commented upon by us.
7.	Going Concern Assessment We draw attention to note 7 in the consolidated financial results which states that during the year, the Parent Company has incurred a cash loss of Rs. 39352 lakhs (including adjustments as stated above) and its net worth has become negative as on the Balance Sheet date. Further, the Parent Company's current liabilities	Disclaimer of Opinion	First time	Not Applicable	The management of the Parent Company has been considering the feasibility and effectiveness of certain planned actions and considering the sales orders in hand, the management has concluded that the material uncertainties are expected to be		We are unable to obtain sufficient appropriate audit evidence as to whether the Parent Company will be able to service its debts, realize its assets and discharge its liabilities as and

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	exceeded its current assets by Rs. 17835 lakhs as at the balance sheet date. The Parent Company's lenders have declared the loan facilities granted to the Company as Non Performing Asset (NPA) and the Company has also received advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12, 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Parent Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next 12 months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.				mitigated and hence the consolidated financial results have been prepared on a going concern basis.		when they become due over the period of next 12 months. The Parent Company's lenders have declared the loan facilities granted to the them as Non Performing Asset (NPA) and the Parent Company has also received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12, 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Parent Company's ability to continue as a going concern.

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					(i) Management's estimation on the impact of audit qualification	(ii) If management is unable to estimate the impact, reasons for the same	(iii)Auditors' Comments on (i) or (ii) above
							Accordingly, we are unable to comment on whether the Parent Company will be able to continue as Going Concern.

III. **Signatories:**

CEO/Managing Director	**Mr. Sumit Mazumder** SUMIT MAZUMDER Digitally signed by SUMIT MAZUMDER Date: 2022.11.17 15:51:43 +05'30' Chairman and Managing Director
CFO	**Bipasha Banerjea** Bipasha Banerjea Chief Financial Officer
Audit Committee Chairman	**Subir Bhattacharyya** SUBIR KUMAR BHATTACHARYYA Digitally signed by SUBIR KUMAR BHATTACHARYYA Date: 2022.11.17 15:48:55 +05'30' Audit Committee Chairman
Statutory Auditor	For Singhi & Co. Chartered Accountants Firm's Registration No. 302049E RAJIV SINGHI Digitally signed by RAJIV SINGHI Date: 2022.11.18 16:59:31 +05'30' **Rajiv Singhi** Partner Membership No. 053518
Place: Kolkata	
Date: 16.11.2022	