

ANNEXURE I

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Rs. in Lacs

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	346,079,271	346,079,271
2.	Total Expenditure	343,374,375	343,374,375
3.	Net Profit/(Loss)	2,704,895	2,704,895
4.	Earnings Per Share	0.15	0.15
5.	Total Assets	555,930,391	555,930,391
6.	Total Liabilities	236,534,044	237,191,519
7.	Net Worth	319,396,347	318,738,872
8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

1. Company got listed on main board (NSE) during the current financial year and which require the management to follows the provision of Ind AS 101 "First Time Adoption of Indian Accounting Standard" and prepare and present the financial statement in accordance Indian Accounting Standard, however management yet to adopt IndAs for the preparation and presentation of these Consolidated annual Financial Results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information **in accordance with** the recognition and measurement principles laid down in **Indian Accounting Standards** prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
2. Non compliance of applicable financial reporting framework (Ind AS), may lead to misstatement in the financial statement, the effect of such non compliance is difficult to ascertain. However, in our opinion it will impact the carrying value of Financial Assets and Liabilities, Property Plant & Equipment and Investment in subsidiary, which

ultimately impacts the profit and loss of the company.

3. Adoption of Ind AS also requires restating the balance sheet figure of previous year and opening balance of previous year, which is expected to impact opening balance of retained earnings for any adjustments, pertains to said previous years.
4. Attention is also invited to the note no.'f' of the Consolidated financial results wherein the undisputed income tax liability for the FY 2018-19 is unpaid as at 05th August 2020 amounting to Rs.41.18 Lakhs.
5. Attention is also invited to the note no 'i' of the Consolidated financial results wherein the undisputed tax liability in relation to Professional Tax are unpaid as at March 2020 amounting to Rs. 2.22 Lakhs/-.
6. As per note "k (a)" of the Consolidated financial result, company has pending litigation under ESIC and amount involved under litigation is amounting to Rs 19.44 Lakhs, same were not provided in the financial statement.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Qualification No 6 is continued from March 2019 other are First Time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Management has appointed a Qualified person to analyse the impact of IndAS on the financial statement but due to Corona he was unable to complete his work in time, management is willing to provide for IndAS impact as soon as we got the final report from him.

The management has provided in the books for income tax dues of AY 2019-20 and Paid partly on 30/06/2020 and ensure to p[ay balance before the extended date provide by the Income Tax department. The date for filing of return for AY 2019-20 is extended upto 30th September 2020, the delay was on account of Covid during March and the operation was seriously hampered after that.

As far As Profession Tax of Rs. 2.22 Lakhs is concern the company has send the details for compiling and filing of the required return to consultant but he was unable to provide interest and penalty working and due to technical error on Profession Tax site company was unable to pay the dues in time . Management ensure to complied the deficiency as soon as technical error resolved by the PT department.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: - Not Ascertainable

(ii) If management is unable to estimate the impact, reasons for the same: Management will provide the liability as prior period item in next quarterly results for the satisfaction of Auditor.

(iii) Auditors' Comments on (i) or (ii) above: In our opinion management's delay in implementation of

IndAS in the Company can be avoided by taking timely decision. Other qualification are not material to the operation of the Company.

III. Signatories:

Riyaj Gangi
Director
DIN: 02236203



CFO

--SD--

Audit Committee Chairman

--SD--

Statutory Auditor

For JAIN JAGAWAT KAMDAR & CO.
Chartered Accountants
Firm Regn. No. 122530W

Chandra Shekhar
Jagawat

Digitally signed by Chandra Shekhar Jagawat
DN: cn=Chandra Shekhar Jagawat, c=IN,
st=Maharashtra, o=Personal,
serialNumber=8c9f3b393ac450ce8a0dfddd27fb
0d1bb445063b8f251e9b7e2e97d78e76bfe3
Date: 2020.08.05 23:31:29 +05'30'

CA Chandrashekhar Jagawat
Partner
M.No:- 116078

Place: Mumbai
Date: 05th August, 2020