

Ref: MKPS/MUM/NK/201/2022-23

August 22, 2022

<b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Listing Department Exchange Plaza, 5th Floor, Bandra-kurla Complex, Bandra (East), Mumbai – 400 051	<b>RAJ RAYON INDUSTRIES LIMITED</b> Corporate Office: Agarwal Golden Chambers, 3rd Floor, A-13, Veera Desai Road, Andheri (W), Mumbai 400053
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**Sub : Clarification regarding resignation as auditors of Raj Rayon Industries Ltd. (the company)**

**Ref: Your office e-mail dated August 20, 2022 addressed to the company**

Dear Sir,

We refer to the captioned email shared by the company regarding certain information / clarification required by your office in connection with our resignation as auditors of the company. We are hereunder providing the required details:

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

**The Company had provided us the details as requested by us so the following point(s) are Not Applicable**

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

2. Detailed reason for resignation

**We had been appointed as the statutory auditors of the company at the time of resolution process of the said company under the IBC. The volume of activities have increased and therefore we had asked for an increase in the fees level which was less and was becoming unviable for us. However, the company expressed its inability to increase the fees level and hence we were unable to continue as auditors of the company.**



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3. 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)

**The only concern we had was w.r.t. the amount of fees as auditors of the company for which we had represented to the company.**

4. Other facts relevant to the resignation, if any. **Not Applicable**

5. Name of the listed entity/ material subsidiary

**The name of the company is Raj Rayon Industries Limited and it doesn't have any subsidiary**

6. Details of the statutory auditor

**Our firm MKPS & Associates (ICAI Firm's Registration No. 302014E) was the statutory auditors of the company till the close of business hours of August 12, 2022**

7. Details of association with the listed entity/ material subsidiary – **NIL Not Applicable**

We believe that you would find the same in order.

Thanking You,

Yours truly,

**For MKPS & Associates  
Chartered Accountants  
Firm's Registration No. 302014E**



  
Narendra Khandal  
Partner

Membership No. 060525