



EVEREST ORGANICS LIMITED

CIN : L24230TG1993PLC015426

An ISO 9001:2015 & WHO GMP Certified Company

Corporate Office : # 1st Floor, Lakeview Plaza, Plot No.127 & 128, Amar Co-operative Society,
Opp. Madhapur Police Station Road, Near Durgam Choruvu, Madhapur, Hyderabad - 500 033.
Tel : 040- 40040783

EOL/SEC/COMP/008/2024-25

To
The Corporate Relationship Department
BSE Limited
P. J. Towers, Dalal Street,
Mumbai – 400001.

Date: 27th May, 2024

Sub: Audited Financial Results for the quarter and year ended 31.03.2024

Scrip Code: 524790 | Stock Symbol: EVERESTO

Dear Sir/ Ma'am,

This is to inform you that the Board of Directors of the Company at its meeting held today i.e., Monday, May 27, 2024 has inter-alia, approved the audited financial results including statement of assets & liabilities and statement of cash flows as recommended by the Audit Committee for the quarter and year ended March 31, 2024, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The copy of the same along with the Audit Report with modified opinion issued by the Statutory Auditors, M/s. P.S.N. Ravishanker & Associates, Chartered Accountants, Hyderabad is enclosed herewith.

Pursuant to Regulation 33(3)(d) of Listing Regulations and SEBI Circular No. CIR/CFD/CMD/56/2016, dated May 27, 2016, a Statement on Impact of Audit Qualifications (for Audit Report with modified opinion) is also hereby submitted along with Audited Financial Statements and Audit Report of the Company for the year ended March 31, 2024.

The Board Meeting commenced at 11:00 am and concluded at about 06:45 pm.

This is for your information and records.

Thanking You,

For EVEREST ORGANICS LIMITED

ABDUR RAHMAN
COMPANY SECRETARY

Encl: A/a



Regd. Office & Factory : Aroor Village, Sadasivpet Mandal, Sangareddy Dist. Telangana - 502291.

Tel. : 08455 - 250186, 250113, 250115 Fax : 08455-250114

Website : www.everestorganicsltd.com

EVEREST ORGANICS LIMITED (CIN : L24230TG1993PLC015426)
STATEMENT OF AUDITED FINANCIAL RESULTS FOR QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

S.No.	Particulars	Quarter Ended			Year Ended	
		31st Mar,2024 (Audited)	31st Dec,2023 (UnAudited)	31st Mar,2023 (Audited)	31st Mar,2024 (Audited)	31st Mar, 2023 (Audited)
	INCOME					
1	Revenue from Operations	5,261.70	5,250.71	5,075.38	19,724.13	18,304.84
	Other Income	29.69	13.04	68.94	88.61	694.36
	Total income	5,291.39	5,263.75	5,144.32	19,812.74	18,999.20
2	Expenses :					
	Cost of Material Consumed	2,947.48	3,280.85	3,408.41	12,340.84	12,490.35
	Purchases of stock in trade	-	-	-	-	-
	Changes in inventories of finished goods, Work-in-progress and stock-in-trade	340.72	157.08	95.56	55.90	(322.75)
	Employee benefits expenses	505.09	455.33	319.28	1,880.37	1,629.72
	Finance Cost	124.29	144.73	95.15	545.55	330.95
	Depreciation and amortisation expenses	185.17	177.02	125.09	579.50	447.40
	Other expenses	1,172.45	1,077.60	1,024.15	4,348.36	4,414.64
	Total Expenses	5,275.20	5,248.61	5,068.45	19,751.70	18,990.21
3	Profit/(Loss) before Exceptional Items and tax (1-2)	16.18	15.14	75.87	61.04	8.99
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) before tax (3-4)	16.18	15.14	75.87	61.04	8.99
6	Extraordinary items	-	-	-	-	-
7	Profit/(Loss) before tax (5+6)	16.18	15.14	75.87	61.04	8.99
8	Tax expenses					
	1) Current Tax	3.00	2.00	1.50	10.00	1.50
	2) Deferred Tax	7.36	11.51	63.04	37.12	25.71
9	Profit/(Loss) for the period from Continuing Operation (7-8)	5.82	1.63	11.33	13.92	(18.22)
10	Profit (loss) from discontinued operation	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-
12	Profit (loss) from discontinued operations after tax	-	-	-	-	-
13	Profit (loss) for the period (9+12)	5.82	1.63	11.33	13.92	(18.22)
14	Profit or loss for the period attributable to					
	Shareholders of the Company	5.82	1.63	11.33	13.92	(18.22)
	Non-Controlling Interest	-	-	-	-	-
15	Other Comprehensive Income					
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
	Total Other Comprehensive Income	-	-	-	-	-
16	Total Comprehensive Income for the period (13+15)	5.82	1.63	11.33	13.92	(18.22)
17	Total Comprehensive Income for the period attributable to:(Comprising Profit (loss) and other					
	Shareholders of the Company	-	-	-	-	-
	Non-Controlling Interest	-	-	-	-	-
18	Paid-up equity share capital (Ordinary Shares of Rs. 10/- each)	800.00	800.00	800.00	800.00	800.00
19	Reserves excluding Revaluation Reserves	3,783.99	3,827.95	3,821.49	3,783.99	3,821.49
20(i)	Earnings/ (loss) Per Equity Share for Continuing Operations (Not Annualised)-(Rs.)					
	Basic	0.07	0.04	0.14	0.17	(0.23)
	Diluted	0.07	0.04	0.14	0.17	(0.23)
20(ii)	Earnings/ (loss) Per Equity Share for Discontinued Operations (Not Annualised)-(Rs.)					
	Basic	-	-	-	-	-
	Diluted	-	-	-	-	-
20(iii)	Earnings/ (loss) Per Equity Share for Discontinued And Continuing Operations (Not Annualised)-(Rs.)					
	Basic	0.07	0.04	0.14	0.17	(0.23)
	Diluted	0.07	0.04	0.14	0.17	(0.23)

Note:

- The above audited financial results for the Quarter and Year ended 31st March,2024 were reviewed and recommended by the Audit committee in its meeting held on 27-05-2024 and thereafter approved and taken on record by the Board of Directors in its meeting held on the same day.
- During the 4th quarter ended as on 31st Mar,2024, the company made sales turnover of Rs.5261.70 Lakhs which comprises of Domestic Turnover of Rs.3277.53 Lakhs and Export Turnover of Rs.1984.17 Lakhs.
- The Company Operates in only one reportable business segment, that is Active Pharmaceuticals Ingredients (API) and their Intermediates.
- 181046 equity shares of Everest Organics Ltd are still lying under "Everest Organics Limited Unclaimed Suspense Account" as on 31.03.2024
- Figures for the previous periods have been regrouped/rearranged/recast wherever considered necessary.
- The figures for the quarter ended 31.03.2024, 31.03.2023 are the balancing figures between audited figures in respect of the financial year ended 31.03.2024, 31.03.2023 and published unaudited financials upto the 9 months ended 31.12.2023 and 31.03.2022 respectively.

Place: Hyderabad
Date: 27-05-2024

Signed for identification purpose only


Dr.S.K.SIRISHA
 Managing Director
 Hyderabad
 DIN: 06921012



EVEREST ORGANICS LIMITED (CIN : L24230TG1993PLC015426)

STATEMENT OF ASSETS AND LIABILITIES AS ON 31-03-2024

(Rs.in Lakhs)

Particulars		As at 31-Mar-2024	As at 31-Mar-2023
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	5,232.91	5,446.85
	(b) Capital Work-in-Progress	1,934.57	948.95
	(c) Intangible Assets under Development	167.72	209.65
	(d) Financial Assets		
	(i) Investments	8.45	8.45
	(ii) Other Financial Assets	123.69	123.74
	(e) Other Non-Current Assets	206.57	198.96
	Total Non Current Assets (A)	7,673.92	6,936.59
2	Current assets		
	(a) Inventories	4,376.45	4,673.61
	(b) Financial assets		
	(i) Investments	-	-
	(ii) Trade receivables	10,008.54	7,633.40
	(iii) Cash and cash equivalents	27.34	27.48
	(iv) Bank Balances other than (iii) above	55.40	55.40
	(v) Other Financial Assets	20.20	27.71
	(c) Other Current Assets	510.47	830.73
	Total Current Assets (B)	14,998.41	13,248.33
	TOTAL ASSETS [(C) = (A) +(B)]	22,672.33	20,184.93
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	800.00	800.00
	(b) Other Equity	3,783.99	3,821.49
	Total Equity (D)	4,583.99	4,621.49
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,464.31	1,227.52
	(b) Provisions	162.18	163.08
	(c) Deferred Tax Liabilities (Net)	451.73	414.61
	Total Non Current Liabilities (E)	2,078.22	1,805.21
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	4,314.57	3,939.73
	(ii) Trade Payables		
	a) Total outstanding dues of micro enterprises and small enterprises	1,810.55	1,367.53
	b) Total outstanding dues creditors other than micro enterprises and small enterprises	9,254.83	8,142.30
	(iii) Other Financial Liabilities	32.11	56.28
	(b) Other current liabilities	485.06	189.49
	(c) Provisions	103.00	61.40
	(d) Current tax liabilities (net)	10.00	1.50
	Total Current Liabilities (F)	16,010.12	13,758.23
	TOTAL EQUITY AND LIABILITIES [(G) = (D)+(E)+(F)]	22,672.33	20,184.93

Signed for identification
purpose only

[Signature]

P. S.N. Ravikiran & Associates
Chartered
Accountants
Hyderabad

For and on behalf of the Board
EVEREST ORGANICS LIMITED

[Signature]

EVEREST ORGANICS LIMITED
Hyderabad

Dr.S.K.SIRISHA
Managing Director
DIN: 06921012

Place: Hyderabad
Date: 27-05-2024

Everest Organics Limited
Cash Flow Statement for the year ended 31-03-2024

(Rs.in Lakhs)

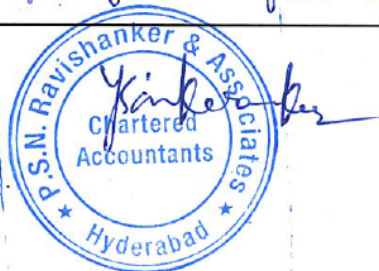
Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Cash Flow from Operating Activities		
Profit before tax	61.04	8.99
Tax adjustments	47.12	27.21
Profit After Tax adjustments	13.92	(18.22)
Depreciation and Amortisation expenses	579.58	447.40
Interest and Financial Charges paid	546.65	330.95
Excess/(Short) provision for Taxation	(51.41)	-
Interest Earned	(9.69)	(3.48)
Operating Profit/(Loss) before working capital charges	1,079.04	756.65
Adjustments for:		
(Increase)/Decrease in Trade receivables	(2,375.14)	(776.57)
(Increase)/Decrease in Inventories	297.16	(524.54)
Increase/(Decrease) in Current Financial Liabilities-Borrowings & Others	374.84	1,160.27
Increase/(Decrease) in Trade Payables	1,555.55	1,556.92
Increase/(Decrease) in Other Current Liabilities	337.18	(187.69)
Increase/(Decrease) in Current Tax Liabilities	45.62	(1.79)
(Increase)/Decrease in Financial Assets Loans Other Current Assets	327.77	(141.70)
Cash Generated from Operations	1,642.01	1,841.55
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment including CWIP	(1,309.33)	(1,353.10)
Change in Other Non Current Assets	(7.57)	(74.33)
Change in Other Non Current Liabilities	(25.07)	(151.02)
Dividend and Dividend Distribution Tax paid	-	(40.00)
Interest earned	9.69	3.48
Cash used in Investing Activities	(1,332.28)	(1,614.96)
Cash Flow from Financing Activities		
Increase/(Decrease) Non Current Financial Liabilities- Borrowings	236.79	66.45
Interest and Financial Charges paid	(546.65)	(330.95)
Net Increase/(Decrease) in Cash & Cash Equivalents	(309.86)	(264.50)
Opening Cash & Cash Equivalents	27.47	65.14
Closing Cash & Cash Equivalents	27.34	27.47

For and on behalf of the Board
EVEREST ORGANICS LIMITED


Dr. S.K. SIRISHA
Managing Director
DIN: 06921012

Place: Hyderabad
Date: 27-05-2024

Signed for identification purpose only





P.S.N. RAVISHANKER & ASSOCIATES
Chartered Accountants

Flat No. 205, 2nd Floor,
B-Block, Kushal Towers,
D.No. 6-2-975, Khairatabad,
Hyderabad-500004, Telangana.
Phone: 040-23320558 / 23393381
E-mail: psnra@yahoo.com

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015, AS AMENDED :

To
The Board of Directors,
Everest Organics Limited.

We have audited the annual financial results of Everest Organics Limited (hereinafter referred to as the "Company") for the year ended March 31, 2024 ("Statement"), which includes the Statement of assets and liabilities and the Statement of cash flows as at March 31, 2024 and the Income Statement for the year ended on that date, attached herewith, and unaudited financial results for the quarter ended March 31, 2024 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').

OPINION ON ANNUAL FINANCIAL RESULTS :

- (a) In our opinion and to the best of our information and according to the explanations given to us, the financial results for the year ended March 31, 2024 :
- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and
 - subject to the qualification matter paragraph hereunder, give a true and fair view in conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the Quarter ended March 31, 2024 and the year ended March 31, 2024.



BASIS FOR OPINION ON FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

QUALIFICATION MATTER PARAGRAPH:

- (i). The revocation order of Telangana State Pollution Control Board (TSPCB) dated 4th February 2022 in connection with the closure order dated 22nd Dec 2020, stipulates that, the company cannot exceed its production capacity indicated in its order No. TSPCB/RCP/SRD/CFO& HWA/HO/ 2017-2714, Dt. 22-11-2017. However, the company is operating at a substantially enhanced level of actual production without necessary approvals from TSPCB in the form of Consent For Establishment (CFE) for starting the establishment, followed by the consequent Consent For Operation (CFO). Such non-compliance could impact the going concern status of the company in the form of Closure Order from TSPCB. According to the explanations given to us, the management of the Company is in the process of addressing the issue.
- (ii). During the year under report, certain sales are made by the company on or before 31st March, 2024 for which control over the goods have not been passed on to the respective customers though dispatches were made on or before the aforesaid date and the same is not in accordance with Ind-AS 115 on Income Recognition. Considering the corresponding effect of the previous year 2022-23, the impact on Net Profit after tax for the year ended 31.03.2024 and reserves and surplus under Balance sheet have been overstated by Rs.194.73 Lakhs and the net turnover for the year ended 31.03.2024 have been overstated by Rs.609.45 Lakhs.



- (iii). In respect of Ind AS-19 Employee Benefits, there is a non-compliance as under
- (a). As per the financial statements, the company has not revised the provision for the liability on account of gratuity payable which was made in earlier period based on the management's own assessment instead of actuarial valuation and the gratuity liability is shown at Rs.162.17 Lakhs as on 31.03.2024. However as per the valuation obtained from LIC the gratuity liability is coming to Rs.247.03 Lakhs as on 31.03.2024. Based on the LIC valuation of gratuity liability, there is an understatement of liability and Overstatement of profit to the extent of Rs.84.86 Lakhs in the financial statements.
- (b). As per LIC Fund account statement, fund balance as on 31.03.2024 is coming to Rs.191.17 Lakhs, which is shown as Rs.162.17 Lakhs in the financial statements. Thus, the Other Comprehensive Income and reserves are understated by Rs.29.99 Lakhs.
- (iv). The company has made a turnover of Rs.19,724.13 Lakhs for the year ended 31st March 2024. The sundry debtors as at 31st March, 2024 stood at Rs.10,008.55 Lakhs and out of which in respect of the Sundry debtors outstanding at Rs.2869.26 Lakhs only confirmations were obtained at any time during the year.
- (v). During year 2022-23, the company has capitalised expenditure incurred on R&D to the extent of Rs. 209.65 lakhs under the head Intangible Assets-Products under Development instead of treating it as revenue expenditure and charging it in the Statement of Profit & loss Account. Out of this an amount of Rs.41.93 Lakhs has been amortised to profit and loss a/c and balance amount of Rs.167.72 Lakhs has been carried in the balance sheet under the head Intangible Assets-Products under Development. The nature of such expenditure shall be substantiated with tangible basis for certainty of corresponding future revenues against the expenditure being continued in the balance sheet at Rs.167.72 Lakhs. The expenditure shall also be identified and ascertained against each product under development. As the same was not furnished to us, we are of the opinion that the treatment of such expenditure as capital in nature is not in accordance with IND-AS 1 on Presentation of Financial Statements.
Based on the above the financial statements of the Company are not in compliance with the requirements of Ind AS 36, 'Impairment of Assets,' and Ind AS 38, 'Intangible Assets.
- (vi). The company has adopted cash basis of accounting, as regards sales Commission payable to the sales agents. Hence the impact on the profit for the year and the consequential impact on the Reserves and Surplus of the company as on the balance Sheet date are not ascertainable.
- (vii). During the year 2023-24 there were delays in making payment to the Small and Micro enterprises. The company is liable to pay interest for the delay in making Payments to these Small and Micro enterprises to the tune of Rs 4? Lakhs in respect of the delays occurred during the FY 2023-24. Also, this amount of interest payable is not provided in the financial statements.

Our Opinion is qualified in respect of the above said matter(s).



MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL RESULTS

The statement which includes Financial Results has been prepared on the basis of the Annual Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the statement of assets and liabilities and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL RESULTS

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



OTHER MATTERS

The Statement include the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the listing regulations.

The annual financial results dealt with by this report has been prepared for the express purpose of filing with stock exchange on which company's shares are listed.

For P.S.N RAVISHANKER & ASSOCIATES
Chartered Accountants
FRN. 003228S



Place: Hyderabad,
Date : 27-05-2024.


YADAVILLI SAI KARUNAKAR
Partner
Membership No. 207033
UDIN : 24207033BKETWC5391

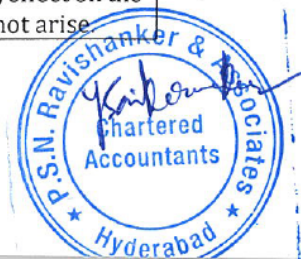
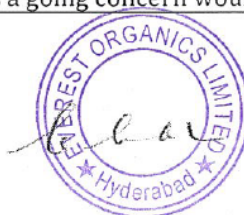
ANNEXURE-I

Statement on Impact of Audit Qualifications (for Audit Report with modified opinion) submitted along with Audited Financial Results - (Standalone) submitted by Everest Organics Limited (CIN: L2423TG1993PLC015426)

				Amount Rs. In lakhs
I.	S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	19,724.13	19,114.68
	2.	Total Expenditure	19,751.70	19,878.56
	3.	Net Profit (excluding Extraordinary Income)	61.04	-175.69
	4.	Earnings Per Share (Amount in Rs. only)	0.17	-2.20
	5.	Total Assets	22,672.33	22,672.33
	6.	Total Liabilities	22,672.33	22,672.33
	7.	Net Worth	4,583.99	4,303.31
	8.	Any other financial item(s) (as felt appropriate by the management)		
II. Audit Qualification (each audit qualification separately)				
	S. No.	Particulars	Qualification-1	
	a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	The revocation order of Telangana State Pollution Control Board (TSPCB) dated 4th February 2022 in connection with the closure order dated 22nd Dec 2020, stipulates that, the company cannot exceed its production capacity indicated in its order No. TSPCB/RCP/SRD/CFO& HWA/HO/ 2017-2714, Dt. 22-11-2017. However, the company is operating at a substantially enhanced level of actual production without necessary approvals from TSPCB in the form of Consent For Establishment (CFE) for starting the establishment, followed by the consequent Consent For Operation (CFO). Such non-compliance could impact the going concern status of the company in the form of Closure Order from TSPCB. According to the explanations given to us, the management of the Company is in the process of addressing the issue.	
	b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Repetitive for 3 years	
	c)	Frequency of Qualification	Repetitive	
	d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view		
	e)	For Audit Qualification(s) where the impact is not quantified by the auditor	Management is in process of receiving approvals for such enhanced capacity of production. The Company made application for necessary approvals and upon payment of appropriate fees, the approvals will be granted. Hence, effect on the company as a going concern would not arise	
		(i) Management's estimation on the impact of audit qualification:		

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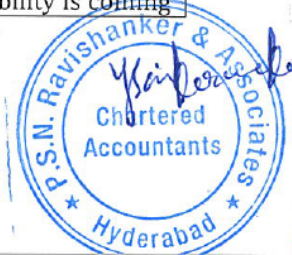
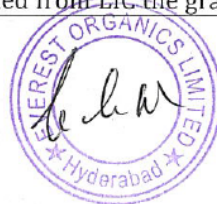
	(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
	Auditors' Comments on (i) or (ii)	Not Applicable

S. No.	Particulars	Qualification-2
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	During the year under report, certain sales are made by the company on or before 31st March, 2024 for which control over the goods have not been passed on to the respective customers though dispatches were made on or before the aforesaid date and the same is not in accordance with Ind-AS 115 on Income Recognition. Considering the corresponding effect of the previous year 2022-23, the impact on Net Profit after tax for the year ended 31.03.2024 and reserves and surplus under Balance sheet have been overstated by Rs.194.73Lakhs and the net turnover for the year ended 31.03.2024 have been overstated by Rs.609.45 Lakhs.
b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Repetitive
c)	Frequency of Qualification	Repetitive
d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	Sales made at the yearend were subsequently shipped and control over goods has been transferred to the respective customers. Management is of opinion that, as the control has been transferred and sale is completed, accordingly, the revenue and profitability are certain of realisation and does not have any impact on revenue and profit of the company.
e)	For Audit Qualification(s) where the impact is not quantified by the auditor	Not applicable
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same.	Not Applicable
	Auditors' Comments on (i) or (ii)	Not Applicable

S. No.	Particulars	Qualification-3
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	In respect of Ind AS-19 Employee Benefits, there is a non-compliance as under (a). As per the financial statements, the company has not revised the provision for the liability on account of gratuity payable which was made in earlier period based on the management's own assessment instead of actuarial valuation and the gratuity liability is shown at Rs.162.17 Lakhs as on 31.03.2024. However as per the valuation obtained from LIC the gratuity liability is coming

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			to Rs.247.03 Lakhs as on 31.03.2024. Based on the LIC valuation of gratuity liability, there is an understatement of liability and expenditure to the extent of Rs.84.86 Lakhs in the financial statements.
			(b). As per LIC Fund account statement, fund balance as on 31.03.2024 is coming to Rs.191.17 Lakhs, which is shown as Rs.162.17 Lakhs in the financial statements. Thus, the Other Comprehensive Income and reserves are understated by Rs.29.99 Lakhs.
	b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Repetitive
	c)	Frequency of Qualification	Repetitive
	d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	In the opinion of the Management, the Company has made adequate provision for the Gratuity liability. However, the management will take up the actuarial valuation soon and will review there on.
	e)	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
		(i) Management's estimation on the impact of audit qualification:	
		(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
		Auditors' Comments on (i) or (ii)	Not Applicable

S. No.	Particulars	Qualification-4
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	The company has made a turnover of Rs.19,724.13 Lakhs for the year ended 31st March 2024. The sundry debtors as at 31st March, 2024 stood at Rs.10,008.55 Lakhs and out of which in respect of the Sundry debtors outstanding at Rs.2869.26 Lakhs only confirmations were obtained at any time during the year..
b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Repetitive
c)	Frequency of Qualification	Repetitive
d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	We have already communicated to all the receivable parties for confirmation of balances and we have received confirmations from significant number of parties and we are receiving them on a continuous basis and expect the rest of the confirmations also soon.
e)	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable

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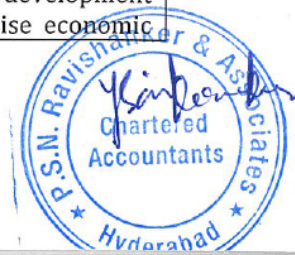


	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
	Auditors' Comments on (i) or (ii)	Not Applicable

S. No.	Particulars	Qualification-5
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	During year 2022-23, the company has capitalised expenditure incurred on R&D to the extent of Rs. 209.65 lakhs under the head Intangible Assets-Products under Development instead of treating it as revenue expenditure and charging it in the Statement of Profit & loss Account. Out of this an amount of Rs.41.93 Lakhs has been amortised to profit and loss a/c and balance amount of Rs.167.72 Lakhs has been carried in the balance sheet under the head Intangible Assets-Products under Development. The nature of such expenditure shall be substantiated with tangible basis for certainty of corresponding future revenues against the expenditure being continued in the balance sheet at Rs.167.72 Lakhs. The expenditure shall also be identified and ascertained against each product under development. As the same was not furnished to us, we are of the opinion that the treatment of such expenditure as capital in nature is not in accordance with IND-AS 1 on Presentation of Financial Statements. Based on the above the financial statements of the Company are not in compliance with the requirements of Ind AS 36, 'Impairment of Assets,' and Ind AS 38, 'Intangible Assets.'
b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Second Time
c)	Frequency of Qualification	Second Time
d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	The Company has been incurring expenditure on development of various new products which take a time period of 3 to 5 year gestation for realising commercial benefit there from. The future economic returns of this product development activity at large is expected to outweigh the expenditure for such development. To match the future revenues with corresponding development cost the present expenditure for the product development is capitalised during FY 2022-23 under the category of "Intangible Asset". The same is partly written off during FY 2023-24 and the balance amount is continued to be written off in future. The company has specific record of details in respect of development expenditure and confident to realise economic

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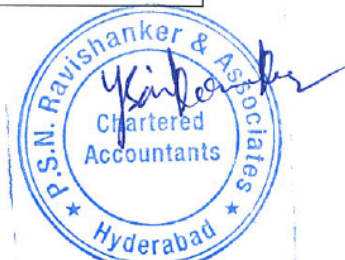
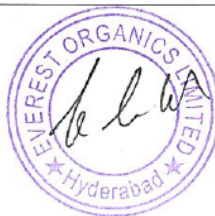


			development against the unamortised amount shown the financial statements.
	e)	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
		(i) Management's estimation on the impact of audit qualification:	
		(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
		Auditors' Comments on (i) or (ii)	Not Applicable

S. No.	Particulars	Qualification-6
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	The company has adopted cash basis of accounting, as regards sales Commission payable to the sales agents. Hence the impact on the profit for the year and the consequential impact on the Reserves and Surplus of the company as on the balance Sheet date are not ascertainable.
b)	Type of Audit Qualification Whether appeared first time/repetitive/ since how long continuing	Repetitive
c)	Frequency of Qualification	Repetitive
d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	
e)	For Audit Qualification(s) where the impact is not quantified by the auditor	The liability for sales commission arises only after realisation of amount from sales made and on receipt of the bill from the agent. Sales made through agents are very less. In the view of the management there are no bills which are pending for accounting the liability thereon.
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
	Auditors' Comments on (i) or (ii)	To meet the requirement of matching concept wherever commission is committed to the paid by the company upon sale made by the company against referrals, the provision for the liability towards commission shall be made in the books of accounts along with sales made against such referrals.
S. No.	Particulars	Qualification-7
a)	Details of Audited Qualification, Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion	During the year 2023-24 there were delays in making payment to the Small and Micro enterprises. The company is liable to pay interest for the delay in making Payments to these Small and Micro enterprises to the tune of Rs.42 Lakhs in respect of the delays occurred during the FY 2023-24. Also, this amount of interest payable is not provided in the financial statements, which impacts the net profit after tax and also reserves by over statement of Rs.31.08 lakhs.
b)	Type of Audit Qualification	First Time

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	Whether appeared first time/repetitive/ since how long continuing			
c)	Frequency of Qualification	First Time		
d)	For Audit Qualifications where the impact is quantified by the auditor, Management's view	The company has made the full payment of principal portion of the dues to suppliers under the category of small and micro enterprise suppliers. The interest obligations will also be met, keeping in view the relaxations that may get extended in this regard from the Government of India.		
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:	Not Applicable		
	Auditors' Comments on (i) or (ii)	Not Applicable		
III. Signatories				
	Managing Director	CFO	Audit Committee Chairman	Statutory Auditors
				
	DIN: 06921012		DIN: 01735481	
Place: Hyderabad				
Date: 27.05.2024				

