

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 on Standalone Financial Statement**

S.No	Particulars	Audited Figures in lakhs (as reported before adjusting for qualifications)	Adjusted Figures in lakhs (audited figures after adjusting for qualifications)
1.	Turnover/Total Income	16,013.98	16,013.98
2.	Total Expenditure	2,918.31	2,918.31
3.	Net Profit/(Loss) after tax	3,796.80	3,796.80
4.	Earnings per share (in Rs.)	1.55	1.55
5.	Total Assets	29,116.12	29,116.12
6.	Total Liabilities	12,219.64	12,219.64
7.	Net Worth	16,896.48	16,896.48
8.	Any other financial item(s) (as felt appropriate by the management)	-	-

S.No	1
Details of Audit Qualification	We draw attention to Note no. 3(b) of the Statement which describes that the Company had not created any provision for expected credit loss towards the guarantee provided w.r.t loan availed by one of the subsidiaries, i.e PVP Capital Limited from a bank. The aforesaid guarantee has been invoked in the current year. This is contrary to the requirements of Indian Accounting Standard – 109 – Financial instruments prescribed under the Rules. This has led to overstatement of previous year profits, understatement of current year profits and overstatement of retained earnings as at 1 April 2021 and 1 April 2022. However, we are unable to quantify the amounts on account of non-availability of management assessment of provisioning and related approvals/documentation etc. In the absence of the same, the Management has not performed a restatement of the previous year results as required under Ind AS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.
Type of Qualification	Qualified Opinion
Frequency of Qualification	First Time
For Audit Qualification(s) where impact is quantified by the Auditor, Management Views	NA
If management is unable to estimate the impact, reasons for the same	The Company was in the process of evaluating / assessing the need to incur the said liability i.e. liability on invocation of the Corporate Guarantee and hence no provision was created. However, upon incurring the actual liability and making the payment in the current year, the same has been recorded appropriately in the books as a result the balances as on 31 March 2023 has been set right.

Auditors Comments	No further comments
S.No	2
Details of Audit Qualification	We draw attention to Note no. 4 of the Statement, which explains that the Company is in the process of assessing its compliances under the Foreign Exchange Management Act, 1999 and in the process of filing the required documents/condonation or compounding applications as may be required with the designated authority in connection with certain transactions with foreign parties relating to issuance/transfer/change of terms of convertible debentures. As stated in the said note, the Management is confident of completing all the required formalities and obtaining the required approval/ratification from the designated authority and there would be no material impact on the financial results. However pending completion of the formalities and the receipt of required approvals from the designated authority, we are unable to comment on the impact arising out of the same on the financial results for the quarter and year ended 31 March 2023 including the consequential effects thereof.
Type of Qualification	Qualified Opinion
Frequency of Qualification	First Time
For Audit Qualification(s) where impact is quantified by the Auditor, Management Views	NA
If management is unable to estimate the impact, reasons for the same	The Company is in the process of assessing its compliances under the Foreign Exchange Management Act, 1999 (FEMA) and in the process of filing the required documents/condonation applications as may be required with the designated authority in connection with certain transactions with foreign parties relating to issuance/transfer/change of terms of convertible debentures. The Company will complete all the required formalities / obtaining the required approval/ratification from the designated authority and if required, shall apply for necessary compounding under applicable provisions of RBI FEMA Regulations. Hence, the extent of penalties / fine imposable are not ascertainable in the present scenario.
Auditors Comments	No further comments
S.No	3
Details of Audit Qualification	We draw attention to Note no. 5 of the Statement, which explains that the Company is in the process of assessing its compliances under the Companies' Act, 2013 and the Listing Regulations including the exceptions/qualifications highlighted by the secretarial auditor in their report for the year ended 31 March 2022. The Company is in the process of filing the required documents / condonation /compounding / adjudication of penalty applications as may be required with the

	designated authority. As stated in the said note, the Management is confident of completing all the required formalities and obtaining the required approval/ratification from the designated authority and there would be no material impact on the financial results. However pending completion of the formalities and the receipt of required approvals from the designated authority, we are unable to comment on the impact arising out of the same on the financial results for the quarter and year ended 31 March 2023 including the consequential effects thereof.
Type of Qualification	Qualified Opinion
Frequency of Qualification	First Time
For Audit Qualification(s) where impact is quantified by the Auditor, Management Views	NA
If management is unable to estimate the impact, reasons for the same	The Company is in the process of assessing its compliances under the Companies' Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") including the exceptions / qualifications highlighted by the secretarial auditor in their report for the year ended 31 March 2022. The Company is in the process of filing the required documents / condonation /compounding / adjudication of penalty applications as may be required with the designated authority. Hence, the extent of penalties / fine imposable are not ascertainable in the present scenario.
Auditors Comments	No further comments

Prasad V. Potluri  
Chairman & Managing Director

R Sabesan  
Chief Financial Officer

N S Kumar  
Audit Committee Chairman

For PSDY & Associates  
Chartered Accountants  
Firm's Registration Number: 010625S

Yashvant G  
Partner  
Membership no. 209865

Date : May 23, 2023  
Place : Chennai