

October 13, 2023

To,

Corporate Relations Department BSE Limited P. J. Towers, Dalal Street Mumbai – 400 001 Scrip Code: 500945	Corporate Relations Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai – 400051 NSE Symbol: VALUEIND
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Dear Sir/Madam,

Sub.: Intimation under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding consideration of audited financial results for the quarter/year ended on March 31, 2023 along with the Independent Auditor's Report submitted by the Statutory Auditors of Value Industries Limited ("the Company").

As the exchange is aware, the Company along with other 12 other Videocon group companies namely, Videocon Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited (collectively referred to as the "**Videocon Group Entities**") is undergoing consolidated corporate insolvency resolution process under the provisions of Insolvency and Bankruptcy Code, 2016 and Mr. Abhijit Guhathakurta is appointed as the Resolution Professional.

We refer to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") and our intimation under regulation 29 of SEBI LODR Regulations dated October 06, 2023.

In this connection, in accordance with Regulation 30 and 33 of the SEBI LODR Regulations and the provisions of the SEBI LODR Regulations, we wish to inform you that based on the confirmations provided by the group resources (employees, officials and consultants handling accounts and secretarial compliances of Videocon Group Entities), the Resolution Professional has considered, signed and taken on record the Audited Financial Results of the Company for the quarter and financial

year ended March 31, 2023, along with the Independent Auditor's Report thereon ("**Financial Results**").

Accordingly, we enclose herewith the following:

- (i) The audited financial results of the Company for the quarter and financial year ended March 31, 2023.
- (ii) Independent Auditor's Report on audited financial results for the quarter and financial year ended March 31, 2023.
- (iii) Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted along-with annual audited financial results.

Kindly consider the same for your records.

Thanking you,

Yours truly,

For **VALUE INDUSTRIES LIMITED**
(A Company under Corporate Insolvency Resolution
Process by NCLT order dated September 05, 2018
read with order dated August 08, 2019)

Sd/-

ABHIJIT GUHATHAKURTA
RESOLUTION PROFESSIONAL
No. IBBI/IPA-003/IP/N000103/2017-18/11158

Encl: As above



KVA & COMPANY
CHARTERED ACCOUNTANTS

C-570, First Floor
Saraswati Vihar, Pitampura
Delhi- 110034, Tel: 01147081081
E-mail: kvaandcompany@gmail.com

Independent Auditor's Report on Quarterly and Year to Date Audited Standalone Financial Results of Value Industries Limited (31st March 2023) Pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended

To
The Resolution Professional of
Value Industries Limited

Report on the Audit of the Standalone Financial Results

1. Material Background for this Audit Report

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT" / "Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC" / "the Code") against "**Value Industries Limited**" (the "**Corporate Debtor**") / "the **Company**"), the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor vide an order dated September 5, 2018 and appointed Mr. Dushyant Dave as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, vide its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies namely, Videocon Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited; (collectively referred to as the "**Corporate Debtors**" / "**Videocon Group Entities**") and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors of the Corporate Debtors (CoC) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the Resolution Professional of the Videocon Group Entities ("**Resolution Professional**" / "**RP**") was approved by the Adjudicating Authority vide its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September



27, 2019 when the same was uploaded on the website of the Adjudicating Authority. On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stand vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 ("**Approval Order**"), approved the resolution plan submitted by Twin Star Technologies Limited ("**Approved Plan**").

In terms of the Approved Plan, a steering committee had been constituted ("**Steering Committee**"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("**Interim Manager**"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "**NCLAT**"), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the "**Stay Order**"), inter-alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the NCLT Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the COC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "**NCLAT Final Order**").

Subsequently, pursuant to the NCLAT Final Order, the COC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("**SC Appeals**"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

It is also understood that the Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code, seeking co-operation from promoters and erstwhile management of the company for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing the Financial Statements. The requested data is still not made available to be Resolution Professional / Company. Hence, in the absence of detailed books of accounts of earlier years, including ledger copies / supporting documents as required to be maintained under the provisions of section 128 of



Companies Act, 2013, the financial results have been prepared by the Group Resources on the basis of available data on best effort basis.

2. We have audited the accompanying Statement of quarterly and year to date Standalone Financial Results of VALUE INDUSTRIES LIMITED ('**the Company**') for the quarter and year ended March 31, 2023, together with the notes thereon ('**the Statement**' or '**the Financial Results**') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Regulation**"), as amended, ready with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('**the Circular**').
3. Preparation of the Financial Results is the responsibility of the Company's Management and has been signed by the Resolution Professional of the Company basis the confirmations provided by Group Resources. The Statement has been compiled from the related annual Ind AS Standalone Financial Statements. Our responsibility is to express an opinion on Financial Results based on our audit of such annual Standalone Ind AS Financial Statements.
4. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Results is free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. However, because of the matters described in the paragraph 5 and 6 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Financial Results and hence *we do not express an opinion on the aforesaid Financial Results.*

5. Basis for Disclaimer of Opinion

For the paragraphs mentioned below (A-N), we are unable to comment on the elements of Financial Results which may require necessary disclosures/ documentation/ explanation/and or adjustments and impact of the same on the Financial Results. We were unable to obtain sufficient and appropriate audit evidence on the matters mentioned below, which may have a material and pervasive impact on the financial position of the Company for year quarter and year ended on March 31, 2023.

- A) *Vide Note No-12 of the Financial Results, RP has disclaimed his liability on account of signing the Financial Results and further stated that RP is not making any representations regarding the accuracy, veracity or completeness of the data or information in the Financial Results.*

Further, the Group Resources and the RP (including his team) have relied on the balances reflected in available accounts / ledgers/ trial balance as on 31st March, 2019, without going into the merits of such balances outstanding, and without making any adjustments to such accounts / balances except for giving effect to the transactions entered subsequently after 1st April, 2019. Further, most of the requisite pre-CIRP records are not available with the Company at present. In view of the same, the company has not adequately followed Provision of section 128 of Companies Act, 2013. Thus, consequential cumulative effects on the Financial Results are unascertainable.



- B) *Certain expenses have been accounted by the Company at the end of year (i.e. in the current quarter), instead of recording / making provisions towards such expenses at respective quarter end dates during the year.*
- C) *The Company has not provided Fixed Assets Register and other relevant documents/ records as prescribed in accordance with Ind AS 16 "Property Plant & Equipment". We have been provided certain available records/details however, we are unable to confirm the completeness and exhaustiveness of the said records/details shared, including status of title/ possession of all Property Plant & Equipment. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the fixed assets of the Company. Also, as mentioned in Note No-7 of the Financial Results, no revaluation or impairment assessment has been carried out on such assets. Neither any report pertaining to physical verification of such assets was made available to us. Accordingly, we are unable to confirm the valuation (including impact of any impairment, obsolescence, damage, etc.) and ownership of such assets along with the depreciation charged in statement of profit and loss account. Due to insufficiency of data/records, we are unable to obtain sufficient appropriate audit evidence whether any adjustments are necessary in respect of property, plant and equipment as at March 31, 2023.*
- D) *As per the information and explanations given to us with respect to Investments, the Company has carrying value of investments in group affiliated company amounting to INR 60.72million, and has trade receivables of INR 169.79 million, (aggregating to INR 230.51millions), in group/affiliate companies which have been referred to National Company Law Tribunal and consequently admitted to CIRP under the Insolvency and Bankruptcy Code, 2016. As such, we are unable to express an opinion on the extent of realizability of aforesaid investments and trade receivables from group / affiliate companies till the completion of resolution process of group/ affiliate entities.*

Also, as mentioned in Note No-7 of the Financial Results, the Company has neither revalued nor measured investments according to Ind AS-13 "Fair value measurements" nor complied with the requirements of Ind AS-36 "Impairment of assets. Further, some of the share certificates are not available with the company nor do they have any record/document available at this stage to ascertain the ownership of such investments shown in the books of accounts. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the Investments of the Company. Due to insufficiency of data/records, we are unable to ascertain the consequential cumulative effects thereof on loss (including other comprehensive income for the year), assets and other equity.

As such, we are unable to determine whether any additional adjustments / disclosures are required on investments and trade receivables reported as at March 31, 2023.

- E) *We have not been provided with any physical verification reports of inventories at the beginning and end of the year. Hence, we are unable to comment / confirm on the quantity and valuation of Inventories held as at quarter and year ended March 31, 2023 which are stated in the Statement of Assets and Liabilities at INR 243.98 million (2022: INR 244.11 million). As such, we are unable to determine whether any adjustments in accordance with Ind AS-2 "Inventories" are necessary in respect of recorded (or unrecorded) inventories and further cannot comment on the items which are obsolete, damaged and their proper reflection in the Financials Results.*



Further, in the absence of physical verification and fair valuation of inventories, we are unable to comment or confirm on the correctness of the amount charged towards Cost of material Consumed during the year as disclosed in the Financial Results.

- F) The Company had carrying value of loan and advances aggregating to INR 2691.76 million (2022; INR 2691.79 million). Due to non-availability of relevant supporting documents/records, we are unable to assess the genuineness and recoverability of such loans and advances which were issued by the Company prior to 1st April, 2019.
- G) The company has not made any adjustment to Deferred Tax Asset/Liability for the year under consideration. Accordingly, Ind AS-12 "Income Tax" has not been followed by the Company. Resultant impact, if any, on the Financials Results is not ascertainable at this stage.
- H) We have been informed that the valuation towards employee benefit expenses is based on actuarial valuation report. Since the company is into CIRP, the assumptions considered and the resultant outcomes may change basis the outcome of CIRP. As such, we are unable to comment on impact, if any, on the Financial Results.
- I) As mentioned in Note No-8 to the Financial Results, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Outcome of the CIRP process is still pending thus no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for financial creditors, operational creditors, employees and other creditor. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.

Further, the Company is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on quarter and year ended March 31, 2023 of INR 210,123.87 million (As at March 31, 2022 INR 210,123.87 million). As such, consequential impact if any is currently unascertainable and we are unable on possible financial impact of the same. Further, since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of existing debts and interest thereon. However, pending the completion / final outcome of CIRP, the Company has continued to provide for the interest for full financial year, including the moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP. We have not received supporting documents for such borrowings, including relevant sanction letters and other relevant documents. As such, we are unable to confirm whether the Borrowings of INR 14,654.52 million (2022: INR 13,157.25 million) as reported in the Statement of Assets and Liabilities provide an accurate status and whether the basis for interest charged in the Financial Results is in accordance with Ind AS-23 "Borrowing Cost".

We are also unable to comment on the completeness / exhaustiveness of the contingent liabilities considered by the Company and any impact that may be necessary on the Financial Results at this stage.

- J) The company has not produced any documents/ information/ relating to Grant form ozone Project (having a carrying value of INR 4.62 million as at 31st March, 2023). As such, we are unable to ascertain impact of the same in financial statements at this stage.



- K) During the conduct of audit, we have also been informed that the balance confirmations are not available in respect of the balances of loans and advances, trade receivables, trade payables, and other receivables and payables. As such, we are unable to ascertain impact on the Financial Results. However, in case of balance with banks, (INR 5.14 million), we have been provided most of the copies of bank statements (subject to their reconciliations).
- L) According to the details made available to us and on the basis of filings made on the GST portal, the company has defaulted / made delayed filings pertaining to the annual compliances of Goods and Service Tax (GST) along with the compliances of Income Tax Act, as applicable during the year. As such, we are unable to comment upon the future liability and/or any other financial impact that may arise on the Company.
- M) We also draw your attention to Note No-4 to the Financial Results. The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing the financial statements of the Company and data requested by various investigating agencies. In the absence of relevant data, these Financial Results have been prepared on the basis of available data on best effort basis.
- We also draw your attention to Note no-5 and 6 of the Financial Results, wherein it is mentioned that an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. And further, there are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. In this regard, we have not been provided any copy of notice/ report/information/documents on such Transaction Review Audit and ongoing investigations. Hence, we are unable to comment on necessary changes that may be required in the Financial Results at this stage.
- N) The Company has mentioned in Note 9 of the Financial Results that, considering the Company is required to be run as a going concern under CIRP, the Financial Results have been prepared on going concern basis. However, we found Material uncertainty relating to Going Concern assumption applied to the Financial Statements. The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, there is considerable decline in level of operations of the Company, and net worth of the Company reported at INR (14,277.16) Million as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other co-obligors/borrowers. Thus, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of the preparation of financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable.

On the basis of above at para (A) to (N) Above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on the quarter and year end date, income and expenses for the year, cash flow statement and related presentation and disclosures in Financial Results. So we disclaim to form any opinion on the Financial Results.



6. Disclaimer of opinion

Because of the significance of the matters described in paragraphs 5 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether the Financial Results:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI LODR and the Circular; and
- (ii) gives a true and fair view, in conformity with other accounting principles generally accepted in India of the net loss and the total comprehensive loss and other financial information of the Company for the quarter ended March 31, 2023 as well as for the year ended March 31, 2023.

For KVA & Company

Chartered Accountants

Firm's Registration No. 017771C



(Vimal Kishore Agrawal)

Partner

Membership No.510915

Place: New Delhi

Date: 12th October, 2023

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER ENDED 31ST MAR,2023**

Particulars	(₹ in Million)				
	Quarter ended			Year ended	
	31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1. Income from Operations					
(a) Net Sales/Income from Operations (Net of excise duty)	-	0.00	-	0.24	1.50
(b) Other Operating Income	-	-	-	-	-
Total income from Operations (net)	-	0.00	-	0.24	1.50
2. Expenses					
(a) Cost of Materials consumed	0.03	0.03	0.03	0.20	1.28
(b) Purchase of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
(d) Employee benefits expense	18.37	28.81	33.71	98.18	111.07
(e) Depreciation and amortisation expense	54.97	54.97	75.48	219.88	301.99
(f) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	6.04	5.76	14.68	21.94	28.65
Total Expenses	79.41	89.57	123.90	340.20	443.01
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	-79.41	-89.57	-123.90	-339.96	-441.52
4. Other Income	5.07	-	4.95	5.06	6.95
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	-74.35	-89.57	-118.95	-334.89	-434.56
6. Finance Costs	518.10	566.58	1,377.28	1,981.91	1,723.91
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	-592.45	-656.14	-1,496.23	-2,316.80	-2,158.47
8. Exceptional Items	-	-	-	-	-
9. Profit / (Loss) from ordinary activities before tax (7 + 8)	-592.45	-656.14	-1,496.23	-2,316.80	-2,158.47
10. Tax expense	-	-	-	-	-
11. Net Profit / (Loss) from ordinary activities after tax (9 + 10)	-592.45	-656.14	-1,496.23	-2,316.80	-2,158.47
12. Extraordinary items (net of tax expense Laksh)	-	-	-	-	-
13. Net Profit / (Loss) for the period (11 + 12)	-592.45	-656.14	-1,496.23	-2,316.80	-2,158.47
14. Share of Profit / (loss) of associates	-	-	-	-	-
15. Minority Interest	-	-	-	-	-
16. Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)	-592.45	-656.14	-1,496.23	-2,316.80	-2,158.47
17. Paid up equity share capital (Face Value of the Share shall be Indicated)	391.86	391.86	391.86	391.86	391.86
18. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-14,277.16	-11,955.51
19. (i) Earnings Per Share (before extraordinary items) of 10 /- each					
(a) Basic	-15.12	-16.74	-38.18	-59.12	-55.08
(b) Diluted	-15.12	-16.74	-38.18	-59.12	-55.08
19. (ii) Earnings Per Share (after extraordinary items) (of 10/- each)					
(a) Basic	-15.12	-16.74	-38.18	-59.12	-55.08
(b) Diluted	-15.12	-16.74	-38.18	-59.12	-55.08

As per our report of even date
For KVA & Company
Chartered Accountants
(Firm's Registration No. 017771C)

VIMAL KISHORE AGRAWAL
Partner
ICAI Membership No:510915

Place : New Delhi
Date : October 12, 2023

For and on behalf of the Company

ABHIJIT GUHATHAKURTA
Resolution Professional
No.: IBB/I/A-002/IP-N000103/2017-2018/11158

Part "A"

Statement of Assets and Liabilities as at 31st March 2023

Particulars	(₹ in Million)	
	As at Year end) (31/03/2023)	As at Year end) (31/03/2022)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share Capital	391.86	391.86
b) Reserves and surplus	-14,669.02	-12,347.37
c) Money received against share warrants		-
Sub-total - Shareholders' funds	-14,277.16	-11,955.51
2. Share application money pending allotment	-	-
3. Minority interest	-	-
4. Non-current liabilities		
(a) Long-term borrowings	-	-
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	431.56	431.65
(d) Long-term provisions	4.62	8.54
Sub-total - Non-current liabilities	14.19	19.63
5. Current liabilities	450.36	459.82
(a) Short-term borrowings		
(b) Trade payables	19,054.52	17,557.25
(c) Other current liabilities	299.44	298.36
(d) Short-term provisions	3,288.84	2,800.35
Sub-total - Current liabilities	42.59	42.64
TOTAL - EQUITY AND LIABILITIES	22,685.40	20,698.60
	8,858.61	9,202.91
B ASSETS		
1. Non-current assets		
(a) Fixed assets		
(b) Goodwill on consolidation	5,363.27	5,583.15
(c) Non-current investments	-	-
(d) Deferred tax assets (net)	64.33	68.90
(e) Long-term loans and advances	-	-
(f) Other non-current assets	4.20	4.23
Sub-total - Non-current assets	82.85	82.73
2 Current assets	5,514.65	5,739.02
(a) Current investments		
(b) Inventories		
(c) Trade receivables	243.98	244.11
(d) Cash and cash equivalents	237.02	358.81
(e) Short-term loans and advances	27.76	26.43
(f) Other current assets	2,687.56	2,687.56
Sub-total - Current assets	147.64	146.97
Total -Assets	3,343.96	3,463.89
	8,858.61	9,202.91

As per our report of even date
For KVA & Company
Chartered Accountants
(Firm's Registration No. 017771C)

VIMAL KISHORE AGRAWAL
Partner
ICAI Membership No: 510915
Place : New Delhi
Date : October 12, 2023



For and on behalf of the Company

ABHIJIT GUHATHARUTA
Resolution Professional
No.: IBB/IPA-003/IP-N000103/2017-2018/11158



Statement of Cash Flows for the year ended 31st March, 2023

(₹ in Million)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	(2,316.80)	(2,158.47)
Adjustments for:		
Depreciation and Amortisation	219.88	301.99
Finance Costs	1,981.91	1,723.91
Provision for Warranty and Maintenance Expenses	-	-
Provision for Gratuity	(4.33)	(0.30)
Provision for Leave Encashment	(1.15)	1.75
Interest Income	(1.14)	(1.02)
Adjustment of Grant	(3.92)	(3.92)
Operating Profit before Working Capital Changes	(125.56)	(136.07)
Adjustments for:		
Inventories	0.14	0.91
Trade Receivables	(362.85)	129.26
Other financial and non financial assets	(0.64)	(1.55)
Trade Payables	1.08	(4.38)
Other financial and non financial liabilities	488.13	8.52
Cash generated from Operations	0.30	(3.30)
Less: Taxes Paid (Net)	0.11	0.17
Net Cash from / (used in) Operating Activities	(A) 0.18	(3.47)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	1.14	1.02
Sale of Fixed Assets	-	-
Purchase of Fixed Assets (Including Capital Work-in-Progress)	-	-
(Increase)/Decrease in Fixed Deposits and Other Bank Balances	(0.96)	(0.85)
(Purchase)/Sale of Investments (Net)	-	-
Net Cash from / (used in) Investing Activities	(B) 0.18	0.18
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Current Borrowings	-	-
Finance Costs	-	-
Payment of Dividend	-	-
Net Cash (used in) / from Financing Activities	(C) -	-
Net Change in Cash and Cash Equivalents	(A+B+C) 0.37	(3.30)
Cash and Cash Equivalents at beginning of the year	4.85	8.14
Cash and Cash Equivalents at end of the year	5.22	4.85

As per our report of even date

For KVA & Company

Chartered Accountants

(Firm's Registration No. 017771C)

DELHI



VIMAL KISHORE AGRAWAL
Partner

ICAI Membership No:510915

For and on behalf of the Company



ABHIJIT GUHATHAKURTA
Resolution Professional

No.: IBBI/HPA-003/IP-N000103/2017-2018/11158

Place : New Delhi

Date : October 12, 2023

Part "C"

CRITICAL NOTES FORMING PART OF THE FINANCIAL RESULTS

Note 1 The Company operates in one reportable business segment i.e. "Consumer electronics and components/parts thereof".

Note 2 The figures of the last quarter ended 31st March, 2023 are the balancing figures between audited figures in respect of the full financial year upto 31st March, 2023 and the unaudited year-to-date figures upto 31st December, 2022, being the date of the end the third quarter of the financial year, which subjected to limited review.

Note 3 Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT" / "Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC" / "the Code") against Value Industries Limited ("Corporate Debtor" / "the Company"), the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of the Corporate Debtor vide an order dated September 5, 2018 and appointed Mr. Dushyant Dave as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, vide its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies namely, Videocon Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, AppliComp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited; collectively referred to as the "Corporate Debtors" / "Videocon Group Entities" and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors of the Corporate Debtors (CoC) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the Resolution Professional of the Videocon Group Entities ("Resolution Professional / RP") was approved by the Adjudicating Authority vide its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stand vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "Resolution Plan"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 ("Approval Order"), approved the resolution plan submitted by Twin Star Technologies Limited ("Approved Plan").

In terms of the Approved Plan, a steering committee had been constituted ("Steering Committee"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("Interim Manager"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "NCLAT"), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the "Stay Order"), inter-alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the NCLT Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the CoC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "NCLAT Final Order"). Subsequently, pursuant to the NCLAT Final Order, the CoC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("SC Appeals"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and CoC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

Note 4 The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, primarily pertaining to pre-CIRP period & certain additional data that is required for preparing financial statements, and data requested by various investigating agencies. In the absence of relevant data, these financial statements have now been prepared on the basis of available data on best effort basis. However, it is clarified that these financial statements are in agreement with the relevant books of accounts presently available/maintained by the company.

Note 5 An independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. In this regard, RP in compliance of his duties under the IBC has filed an application with NCLT to declare such transactions as void and be set aside. Adjustments, if any, for such transaction(s) may be made upon further directions from NCLT and/or upon any order being passed by NCLT.

Note 6 There are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. Merely by affixation of signatures by RP on these Financial Results, RP cannot be said to have any cognizance or knowledge of matters contained herein that pertain to the period prior to assumption of his office. RP is signing these Financial Results, fully relying in good faith upon these Financial Results as prepared by Group Resources. Accordingly, merely by affixation of signatures by RP on these Financial Results in good faith, no proceedings can be initiated nor RP be implicated in ongoing proceedings for matters contained herein which relate to period prior to his incumbency.



CRITICAL NOTES FORMING PART OF THE FINANCIAL RESULTS (Contd.)

Note 7

Since the Company is under CIRP and various Prospective Resolution Applicants ("PRAs") were conducting their independent due-diligence for submitting a resolution plan, it was material to ensure that any change in books of the Corporate Debtor on account of revaluation of assets, impairment assessment, ascertainment of Fair Market Value of assets etc. does not provide any indicative pricing on the assets of the Corporate Debtor to the PRAs. Thus, in the interest of value maximisation under CIRP for all stakeholders, certain assets like property plant and equipment, unquoted investments, loan & advances, inventories etc. have been recorded at their carrying values. Also, no additional provision has been made on outstanding receivables.

Note 8

Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for financial, operational and other creditors.

Note 9

Considering the Company is required to be run as a going concern under CIRP, the Financial Results have been prepared on going concern basis.

Note 10

Previous year figures have been reclassified/regrouped wherever necessary to confirm to the classification of the current year.

Note 11

For FY 22-23, the Company has closed its books of accounts on accrual basis for the purpose of preparing annual Financial Results / annual Financial Results, in terms of the requirement(s) of Section 128 of the Companies Act, 2013. However, for the purpose of preparing / reporting quarterly results, considering the Company is into CIRP and various other financial and operational challenges, certain expenses may have been accounted by the Company during the year at a later date, instead of making provisions towards such expenses at the quarter end date.

Note 12

a) Pursuant to Consolidation of CIRP of Videocon Group Entities, due to limited availability of resources, the accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by employees, officials and consultants of Videocon Group Entities (hereinafter referred to as "Group Resources").

b) The Financial Results of the Company have been prepared by the Group Resources and accordingly, basis the confirmation provided by the Group Resources of the veracity and reliability of these Financial Results, these Financial Results have been taken on record and signed by Mr. Abhijit Guhathakurta, the resolution professional of the Company, subject to the following disclaimers:

i) The RP has assumed control of Corporate Debtor from with effect from September 27, 2019 and therefore was not in control of the operations or the management of the Corporate Debtor for the period prior to his assumption of office. On this account, RP does not have any visibility as to the matters that transpired prior to the date of his assumption of office as the RP of the Company, and is not in a position to independently verify or ascertain the matters as stated or reported in the said Financial Results and/ or accompanying documents in respect of matters prior to the date of his assumption.

ii) These Financial Results are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of IBC; Further, pursuant to Regulation 39(7) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations"), RP should be protected against any actions of the Corporate Debtor prior to assumption of his office. RP disclaims any liability whatsoever on account of signing these Financial Results.

iii) No statement, fact, information or opinion contained herein should be construed as representation or warranty, express or implied, of the RP including, his authorized representatives and advisors.

iv) These Financial Results have been prepared solely on the basis of confirmations, representations and statements made by the Group Resources. The RP has assumed that all information and data as provided by Group Resources in the Financial Results are in conformity with applicable laws with respect to the preparation of the Financial Results, and is true and correct. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the Financial Results. In any case, considering that the said Financial Results relate to certain matters prior to RP's incumbency, RP is not in a position to either independently verify such matters as stated herein nor to make any representation or warranty in relation to these aspects.

v) As explained in financial statements for FY 19-20, the Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trail balance as on 31st March, 2019, without going into the merits of such balances outstanding. Since these matters pertain to period prior to assumption of his office, the RP is constrained to rely on these materials on as is basis, without being able to independently verify or ascertain matters in relation to the same. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered after 1st April 2019.

Further, insofar as the balances reflected as on 31 March 2023 are in corollary to the balances reflected as on insolvency commencement date/ 31 March 2018 (i.e. pre-CIRP), which cannot anyway be independently verified or ascertained by RP and in respect of which, application has also been filed by RP against the promoters and erstwhile management under Section 19 of the Code to seek requisite cooperation and data (which has not yet been provided to RP or Company), the balances outstanding as on 31 March 2023 could not have been verified on this account as well.

vi) These Financial Results have been prepared and are being finalized solely for the purposes of compliance of the Company in terms of applicable law. Considering that currently there is no Director or any key managerial personnel, the RP is signing these Financial Results merely for this limited purpose of achieving compliance status of the Company in terms of applicable law.

As per our report of even date
For KVA & Company
Chartered Accountants
(Firm's Registration No. 017771C)


VIMAL KISHORE AGRAWAL
Partner
ICAI Membership No: 510915

Place : New Delhi
Date : October 12, 2023

For and behalf of the Company


ABHIJIT GUHATHAKURTA
Resolution Professional
No.: IBB/IPA-003/IP-N000103/2017-2018/14158

VALUE INDUSTRIES LIMITED

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Million)	Adjusted Figures (as reported after adjusting for qualifications) (Rs. In Million)
	1.	Total Income (Including Other Income)	5.31	5.31
	2.	Total Expenditure (including exceptional items)	2,322.11	2,322.11
	3.	Net Profit/(Loss)	(2,316.80)	(2,316.80)
	4.	Earnings Per Share	(59.12)	(59.12)
	5.	Total Assets	8,858.61	8,858.61
	6.	Total Liabilities	8,858.61	8,858.61
	7.	Net Worth	(14,277.16)	(14,277.16)
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
A.	Qualification:			
	<p>a. Details of Audit Qualification reproduced from the Independent Auditors' Report under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:</p> <p>A) <i>Vide Note No-12 of the Financial Results, RP has disclaimed his liability on account of signing the Financial Results and further stated that RP is not making any representations regarding the accuracy, veracity or completeness of the data or information in the Financial Results.</i></p> <p><i>Further, the Group Resources and the RP (including his team) have relied on the balances reflected in available accounts / ledgers/ trial balance as on 31st March, 2019, without going into the merits of such balances outstanding, and without making any adjustments to such accounts / balances except for giving effect to the transactions entered subsequently after 1st April, 2019. Further, most of the requisite pre-CIRP records are not available with the Company at present. In view of the same, the company has not adequately followed Provision of section 128 of Companies Act, 2013. Thus, consequential cumulative effects on the Financial Results are</i></p>			



unascertainable.

- B) Certain expenses have been accounted by the Company at the end of year (i.e. in the current quarter), instead of recording / making provisions towards such expenses at respective quarter end dates during the year.*
- C) The Company has not provided Fixed Assets Register and other relevant documents/ records as prescribed in accordance with Ind AS 16 "Property Plant & Equipment". We have been provided certain available records/details however, we are unable to confirm the completeness and exhaustiveness of the said records/details shared, including status of title/ possession of all Property Plant & Equipment. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the fixed assets of the Company. Also, as mentioned in Note No-7 of the Financial Results, no revaluation or impairment assessment has been carried out on such assets. Neither any report pertaining to physical verification of such assets was made available to us. Accordingly, we are unable to confirm the valuation (including impact of any impairment, obsolescence, damage, etc.) and ownership of such assets along with the depreciation charged in statement of profit and loss account. Due to insufficiency of data/records, we are unable to obtain sufficient appropriate audit evidence whether any adjustments are necessary in respect of property, plant and equipment as at March 31, 2023.*
- D) As per the information and explanations given to us with respect to Investments, the Company has carrying value of investments in group affiliated company amounting to INR 60.72million, and has trade receivables of INR 169.79 million, (aggregating to INR 230.51millions), in group/affiliate companies which have been referred to National Company Law Tribunal and consequently admitted to CIRP under the Insolvency and Bankruptcy Code, 2016. As such, we are unable to express an opinion on the extent of realizability of aforesaid investments and trade receivables from group / affiliate companies till the completion of resolution process of group/ affiliate entities.*

Also, as mentioned in Note No-7 of the Financial Results, the Company has neither revalued nor measured investments according to Ind AS-13 "Fair value measurements" nor complied with the requirements of Ind AS-36 "Impairment of assets. Further, some of the share certificates are not available with the company nor do they have any record/document available at this stage to ascertain the ownership of such investments shown in the books of accounts. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the Investments of the Company. Due to insufficiency of data/records, we are unable to ascertain the consequential cumulative effects thereof on loss (including other



comprehensive income for the year), assets and other equity.

As such, we are unable to determine whether any additional adjustments / disclosures are required on investments and trade receivables reported as at March 31, 2023.

- E) We have not been provided with any physical verification reports of inventories at the beginning and end of the year. Hence, we are unable to comment / confirm on the quantity and valuation of Inventories held as at quarter and year ended March 31, 2023 which are stated in the Statement of Assets and Liabilities at INR 243.98 million (2022: INR 244.11 million). As such, we are unable to determine whether any adjustments in accordance with Ind AS-2 "Inventories" are necessary in respect of recorded (or unrecorded) inventories and further cannot comment on the items which are obsolete, damaged and their proper reflection in the Financials Results.*

Further, in the absence of physical verification and fair valuation of inventories, we are unable to comment or confirm on the correctness of the amount charged towards Cost of material Consumed during the year as disclosed in the Financial Results.

- F) The Company had carrying value of loan and advances aggregating to INR 2691.76 million (2022; INR 2691.79 million). Due to non-availability of relevant supporting documents/records, we are unable to assess the genuineness and recoverability of such loans and advances which were issued by the Company prior to 1st April, 2019.*
- G) The company has not made any adjustment to Deferred Tax Asset/Liability for the year under consideration. Accordingly, Ind AS-12 "Income Tax" has not been followed by the Company. Resultant impact, if any, on the Financials Results is not ascertainable at this stage.*
- H) We have been informed that the valuation towards employee benefit expenses is based on actuarial valuation report. Since the company is into CIRP, the assumptions considered and the resultant outcomes may change basis the outcome of CIRP. As such, we are unable to comment on impact, if any, on the Financial Results.*
- I) As mentioned in Note No-8 to the Financial Results, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Outcome of the CIRP process is still pending thus no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for financial creditors, operational creditors, employees and other creditor.*



Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.

Further, the Company is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on quarter and year ended March 31, 2023 of INR 210,123.87 million (As at March 31, 2022 INR 210,123.87 million). As such, consequential impact if any is currently unascertainable and we are unable on possible financial impact of the same. Further, since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of existing debts and interest thereon. However, pending the completion / final outcome of CIRP, the Company has continued to provide for the interest for full financial year, including the moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP. We have not received supporting documents for such borrowings, including relevant sanction letters and other relevant documents. As such, we are unable to confirm whether the Borrowings of INR 14,654.52 million (2022: INR 13,157.25 million) as reported in the Statement of Assets and Liabilities provide an accurate status and whether the basis for interest charged in the Financial Results is in accordance with Ind AS-23 "Borrowing Cost".

We are also unable to comment on the completeness / exhaustiveness of the contingent liabilities considered by the Company and any impact that may be necessary on the Financial Results at this stage.

- J) The company has not produced any documents/ information/ relating to Grant form ozone Project (having a carrying value of INR 4.62 million as at 31st March, 2023). As such, we are unable to ascertain impact of the same in financial statements at this stage.
- K) During the conduct of audit, we have also been informed that the balance confirmations are not available in respect of the balances of loans and advances, trade receivables, trade payables, and other receivables and payables. As such, we are unable to ascertain impact on the Financial Results. However, in case of balance with banks, (INR 5.14 million), we have been provided most of the copies of bank statements (subject to their reconciliations).
- L) According to the details made available to us and on the basis of filings made on the GST portal, the company has defaulted / made delayed filings pertaining to the annual compliances of Goods and Service Tax (GST) along with the compliances of Income Tax Act, as applicable during the year. As such, we are unable to comment upon the future liability and/or any other financial impact that may arise on the Company.



M) We also draw your attention to Note No-4 to the Financial Results. The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing the financial statements of the Company and data requested by various investigating agencies. In the absence of relevant data, these Financial Results have been prepared on the basis of available data on best effort basis.

We also draw your attention to Note no-5 and 6 of the Financial Results, wherein it is mentioned that an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. And further, there are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. In this regard, we have not been provided any copy of notice/ report/information/documents on such Transaction Review Audit and ongoing investigations. Hence, we are unable to comment on necessary changes that may be required in the Financial Results at this stage.

N) The Company has mentioned in Note 9 of the Financial Results that, considering the Company is required to be run as a going concern under CIRP, the Financial Results have been prepared on going concern basis. However, we found Material uncertainty relating to Going Concern assumption applied to the Financial Statements. The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, there is considerable decline in level of operations of the Company, and net worth of the Company reported at INR (14,277.16) Million as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other co-obligors/borrowers. Thus, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of the preparation of financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable.

On the basis of above at para (A) to (N) Above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on the quarter and year end date, income and expenses for the year, cash flow statement and related presentation and disclosures in Financial Results. So we disclaim to form any opinion on the Financial Results.



	<p>b. Type of Audit Qualification : Disclaimer Opinion</p>
	<p>c. Frequency of qualification: The Frequency of qualification, as stated above, in chronology is as under:</p> <p>A) Qualified for the first time for the financial year ended on 31st March,2020. B) Qualified for the first time for the financial year ended on 31st March,2020. C) Partially Disclaimer of Opinion for the first time for the financial year ended on 31st March,2019. D) Partially Disclaimer of Opinion for the first time for the financial year ended on 31st March,2019. E) Partially Disclaimer of Opinion for the first time for the financial year ended on 31st March,2019. F) Qualified for the first time for the financial year ended on 31st March,2020. G) Qualified for the first time for the financial year ended on 31st March,2020. H) Qualified for the first time for the financial year ended on 31st March,2020. I) Partially Disclaimer of Opinion for the first time for the financial year ended on 31st March,2019. J) Qualified for the first time for the financial year ended on 31st March,2020. K) Disclaimer of Opinion for the first time for the financial year 31st March, 2019 and Emphasis in 31st March 2018. L) Qualified for the first time for the financial year ended on 31st March,2020. M) Qualified for the first time for the financial year ended on 31st March,2020. N) Qualified for the first time for the financial year ended on 31st March,2018.</p>
	<p>C) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable</p>
	<p>D) For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: --</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>The management is unable to estimate the impact on the following grounds:</p> <p>a) as it was explained in Financial Statements for FY 19-20, the Group Resources and the RP (including his team) had relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on March 31, 2019, without going into the merits of such balances outstanding. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered subsequently from April 1, 2019.</p> <p>b) since the Company is under CIRP and various Prospective Resolution Applicants</p>



("PRAs") were conducting their independent due-diligence for submitting a resolution plan, it was material to ensure that any change in books of the Corporate Debtor on account of revaluation of assets, impairment assessment, ascertainment of Fair Market Value of assets etc. does not provide any indicative pricing on the assets of the Corporate Debtor to the PRAs. Thus, in the interest of value maximization under CIRP for all stakeholders, certain assets like property plant and equipment, unquoted investments, loan & advances, inventories etc. have been recorded at their carrying values. Also, no additional provision has been made on outstanding receivables.

- c) an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. In this regard, RP in compliance of his duties under the IBC has filed an application with NCLT to declare such transactions as void and be set aside. Adjustments, if any, for such transaction(s) may be made upon further directions from NCLT and/or upon any order being passed by NCLT.
- d) there are ongoing investigations against Videocon Group Entities by different government agencies. The Resolution Professional has been fully supportive and cooperative in the investigation being carried out by the statutory investigative agencies, including SFIO and Directorate of Enforcement.
- e) the Resolution Professional has filed applications with Hon'ble NCLT under **section 19** of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing Financial Statements and data requested by various investigating agencies. The requested data is still not made available to the Resolution Professional. Thus, in the absence of required relevant data, the Financial Statements have been prepared on the basis of available data on best effort basis.
- f) In light of the aforesaid reasons, confirmations and reconciliation of balances of certain trade receivables, trade and other payables and loans and advances could also not be obtained.
- g) Post assumption of office of the Resolution Professional, all payments are being approved only by the Resolution Professional (with requisite approval from the CoC, wherever required as per applicable provisions of the Code). The Company has established effective controls for monitoring CIRP period transactions undertaken post assumption of office of the Resolution Professional.
- h) Considering the Company is required to be run as a going concern under CIRP, the Financial Statements have been prepared on going concern basis.



VALUE INDUSTRIES LIMITED

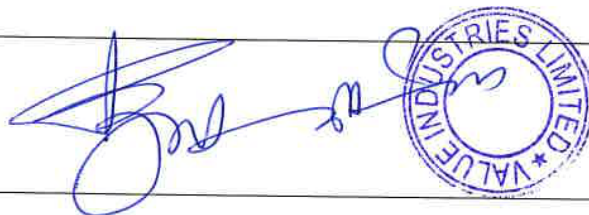
Thus, owing to various financial and operational constraints including but not limited to non-cooperation from Erstwhile Directors/ management and promoters of the Company, non-availability of detailed books of accounts and various supporting documents and records for pre-CIRP period, resignation of past employees / consultants from accounts function, the preparation of Financial Statements of the Company has faced several limitations. The RP had taken necessary steps under the Code to seek the requisite data and had further filed application under Section 19 of the Code seeking requisite cooperation and data from promoters and Erstwhile Directors/ management of the Company, and the requisite data has still not been made available, and the proceedings before the Hon'ble NCLT against the Erstwhile Directors / management of the Company for seeking the necessary information and cooperation remains sub-judice.

(iii) Auditors' Comments on (i) or (ii) above:

In view of the factors stated by the management, the impact of the qualification cannot be estimated

III. Signatories:

- Resolution Professional



- Audit Committee Chairman

The Company is not having any active director functioning as Audit Committee Chairman

- Chief Financial Officer

The Company is not having Chief Financial Officer

- Statutory Auditor

For KVA & Company
Chartered Accountants
Firm's Registration No. 017771C



(Vimal Kishore Agrawal)
Partner
Membership No.510915

Place

Delhi

Date

12th October, 2023

