

Date: 09.09 .2025

BSE Limited
Corporate Compliance & Listing Centre
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Security Code: 537254

Sub.: Intimation under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding consideration of un-audited financial results for the quarter ended on June 30, 2023 along with the Limited Review Report submitted by the Statutory Auditors of RCI Industries and Technologies Limited (“the Company”).

As the exchange is aware, the Company is undergoing Corporate Insolvency Resolution Process under the provisions of Insolvency and Bankruptcy Code, 2016 and Mr. Brijesh Singh Bhadauriya 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 September 6, 2024. We have vide our earlier communications provided the reasons for delay in submission of financial results.

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, the Resolution Professional has considered, signed and taken on record the Un-Audited Financial Results of the Company for the quarter ended 30th June, 2025, along with the Limited Review Report thereon (“Financial Results”).

The above will also being uploaded on the Company's website <https://www.rciind.com/investors/financial-highlights/>.

We re-iterate that as per the provisions of the Insolvency and Bankruptcy Code 2016, and Securities and Exchange Board of India, the powers of the board of directors stand suspended and the same have been vested with and are being exercised by the Resolution Professional. Accordingly, the Resolution Professional, in exercise of his powers have signed the financials on 9th September, 2025.



We enclose herewith the following:

- I. The un-audited Standalone and Consolidated financial results of the Company for the quarter ended on June 30, 2023.
- II. The Limited Review Reports of the Statutory Auditors i.e., M/s R. Bansal & Co. are enclosed herewith as per Regulation 33 of the Listing Regulations.

Kindly take the same on records and treat the same as compliance with the applicable provisions of the Listing Regulations.

Thanking you.

Yours Truly

For RCI Industries and Technologies Limited

BRIJESH SINGH

BHADAURIYA

Digitally signed by BRIJESH SINGH
BHADAURIYA
Date: 2025.09.09 11:57:38 +05'30'

Brijesh Singh Bhadauriya

Registration Number: IBBI/IPA-002/IP-N01045/2020-2021/13385

Email For Correspondence- cirp.rci.industries.technologies@gmail.com

Email: Registered With IBBI- bsb@bsbandassociates.in

**Registered Address: C-II/08, Mangal Apartments, Vasundhara Enclave,
New Delhi-110096**

Phone No. - +91- 98108 50577

AFA Valid till: 30.06.2026

Date: 9th September, 2025

Place: New Delhi



RCI INDUSTRIES & TECHNOLOGIES LTD.
Regd. Office : Unit No, 421, 4th Floor, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034
CIN: L74900DL1992PLC047055 Website : www.rciind.com
Email: cirp.rci.industries.technologies@gmail.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

S.No	Particulars	Quarter ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Income				
1	a) Revenue from operations	86.37	123.82	568.69	2,301.89
	b) Other Income	22.20	0.56	0.76	10.79
	Total Income	108.57	124.38	569.45	2,312.68
2	Expenses				
	a) Cost of Material Consumed	14.50	145.42	400.15	1,760.06
	b) Purchase of stock in trade	-	-	-	-
	c) Change in inventories of Finished goods, W.I.P and Stock In trade	35.90	19.68	96.88	331.15
	d) Employee benefit expense	56.80	46.67	92.41	341.01
	e) Finance cost	-	5.00	1.04	163.75
	f) Depreciation and amortisation expense	209.27	96.09	192.78	577.42
	g) Other Expenditure	47.78	64.13	204.22	562.90
	Total expenses	364.26	376.99	987.48	3,736.28
3	Profit/(Loss) from operations before, tax, exceptional items, Prior Period	(255.68)	(252.61)	(418.03)	(1,423.60)
4	Exceptional Items	-	-	-	-
5	Prior Period Items	-	-	-	-
6	Profit/(Loss) before tax	(255.68)	(252.61)	(418.03)	(1,423.60)
7	Tax expense				
	(1) Current Tax	-	-	-	-
	(2) Deferred Tax	(14.48)	379.79	(4.33)	295.74
	Total Tax Expense	(14.48)	379.79	(4.33)	295.74
8	Net Profit/(Loss) from ordinary activities after tax	(241.20)	(632.40)	(413.70)	(1,719.34)
9	Other Comprehensive Income	-	-	4.97	9.95
10	Total Comprehensive Income/(Loss)	(241.20)	(632.40)	(408.72)	(1,709.39)
11	Paid Up Equity Share Capital (Face Value of Rs.10/- each)	1,567.64	1,567.64	1,567.64	1,567.64
12	Earning Per Share (of Rs.10/- each) (not annualised)				
	a) Basic	(1.54)	(4.03)	(2.64)	(10.97)
	b) Diluted	(1.54)	(4.03)	(2.64)	(10.97)

Notes:-

- The above financial results for the quarter ended June 30th, 2023, have been reviewed by the Resolution professional on September 9th, 2025.
- The Company activity during the year revolves around manufacturing of all kind of metals and metal products, considering the nature of business and operations of the Company, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 "Operating Segments".
- During the year ended March 31, 2020, the lenders to the Company have declared the Loan account of the Company as "non performing asset" (NPA) due to non-payment of interest due and borrowed amount. Accordingly, thereafter the Company had stopped making provision for interest expense in books of accounts.
- The net worth of the Company has been fully eroded, although this indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to the Application filed by the Standard Chartered Bank (Singapore) Limited (Operational Creditor) under section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC-2016), vide order dated November 25, 2022 of the Hon'ble National Company Law Tribunal (NCLT) New Delhi in C.P (IB) No. 2688 of 2019 and Mr. Brijesh Singh Bhadauriya was appointed as Interim Resolution Professional (IRP) and subsequently confirmed as the Resolution Professional ("RP") under the provisions of the Code. The said order was uploaded on the website and available to the RP on November 30, 2022. Accordingly, the Company is currently under the CIRP process as per the provisions of the Insolvency and Bankruptcy Code, 2016. Further, the Resolution Plan in this process has been approved by the Committee of Creditors and the same is pending approval of the Hon'ble NCLT and the Orders in this regard have been reserved after conclusion of hearings in the matter on 31.07.2025. In view of this, the financial results have been prepared on a going concern basis, considering the ongoing resolution process and the expectation of revival through CIRP.
- The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
- The Directors, the then Statutory Auditors and the then Compliance Officer of the Company were not cooperative in providing the desired information and documents promptly to the RP after commencement of the CIRP. Consequently, the RP was constrained to file an Intervention Application under Section 19(2) of the IBC-2016, before the Hon'ble NCLT vide IA No.1396/2023 dated 03.03.2023, seeking necessary directions to the Directors, Statutory Auditors, and Compliance Officer of the Company to provide the required information and documents. Further, despite such application, proper and complete data has still not been provided till date leading delay and inadequate disclosures.
- The Resolution Professional has not been provided with the requisite financial statements, data, and agreements pertaining to the associates and subsidiaries of the Company by the suspended management. In the absence of such information, the balances and financial results of the said associates and subsidiaries have not been considered in the preparation of the consolidated financial results for the current period. Accordingly, the accompanying consolidated financial results include only the financial information available with the Resolution Professional in respect of the Corporate Debtor.
- Figures for the previous periods have been re-grouped/ rearranged/ restated wherever necessary to make them comparable with those of the current period.

For R. BANSAL & CO
Chartered Accountants
Firm Registration Number: 002736N
Ashwani Bansal
Partner

Membership Number: 529077
UDIN Number: 25529077BMOXMX4641
Place: Delhi
Date: September 9th, 2025

ASHWAN
I BANSAL
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ASHWANI BANSAL
Date: 2025.09.09
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For RCI INDUSTRIES & TECHNOLOGIES LIMITED
(UNDER CIRP)

BRIJESH SINGH
BHADAURIYA
Digitally signed by BRIJESH SINGH
BHADAURIYA
Date: 2025.09.09 11:23:33 +05'30'

Brijesh Singh Bhadauriya
Resolution Professional
(IBBI/PA-002/IP-N01045/2020-21/13385)
bsb@bsbandassociates.in



Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report To

To The Suspended Board of Directors/ Resolution Professional (RP)
RCI Industries and Technologies Limited

1. Corporate Insolvency Proceeding as per Insolvency and bankruptcy Code, 2016 (IBC) :

The Application was filed by the Standard Chartered Bank (Singapore) Limited (Operational Creditor) under section 9 of the Insolvency and Bankruptcy Code, 2016 (Code) for commencement of Corporate Insolvency Resolution Process (CIRP) in the matter of RCI Industries & Technologies Limited ("Corporate Debtor" or "Company"). Hon'ble National Company Law Tribunal (NCLT) New Delhi vide its order dated November 25, 2022 in C.P (IB) No. 2688 of 2019, commenced the CIRP in the matter of Corporate Debtor and appointed Mr. Brijesh Singh Bhadauriya as Interim Resolution Professional (IRP) subsequently confirming him as the Resolution Professional ("RP") under the provisions of the Code. The said order was uploaded on the website and available to the RP on November 30, 2022.

2. We have been informed by the Resolution Professional (RP) that the Directors, Statutory Auditors, and Compliance Officer of the Company were not cooperative in providing the desired information and documents promptly to the RP. Consequently, the RP was constrained to file an Intervention Application under Section 19(2) of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT) [IA No. 1396/2023 dated 03.03.2023], seeking necessary directions to the Directors, Statutory Auditors, and Compliance Officer of the Company to provide the required information and documents. The RP has further informed that despite such application, proper and complete data has still not been provided to the RP till date.

3. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **RCI Industries & Technologies Limited** ("the Company") for the quarter ended June 30, 2023 ("the Statement"), which has been submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

4. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "*Interim Financial Reporting*" prescribed under Section 133 of the Companies Act, 2013, as amended, 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 Statement has been approved by the Company's Board of Directors / Resolution professional. Our responsibility is to express a conclusion on the Statement based on our review.

5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit



conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

6. Basis for Qualified Conclusions

1. The Company has not maintained a proper Fixed Asset Register. Major details such as cost of assets, accumulated depreciation of previous years, actual purchase dates, invoice numbers, vendor names, and appropriate descriptions of assets are not available in the depreciation chart provided to us.

Further, during our audit, we observed the following:

- Significant discrepancies were noted in the depreciation chart, including non-availability of certain assets, existence of assets not recorded, mismatches in descriptions/models, absence of asset tags, and weak internal controls.
- As per the report of the independent Chartered Engineer appointed by the Resolution Professional, certain items of Plant & Machinery were found to be idle, non-functional, redundant, and materially overstated. Further, the Chartered Engineer has also reported that various items of Plant & Machinery were missing as on the CIRP date. Also, machinery purchased from Devi Metals was overstated by 40–50%, second-hand machinery by 40–50%, and new machinery by 30–35%.
- Supporting documents such as invoices, purchase orders, and ownership proofs for major items of Plant & Machinery were not made available to us. Accordingly, we were unable to verify capitalization, ownership, and valuation of such assets.
- Certain vehicles recorded in the books are registered in the names of third parties, raising doubt over the Company's ownership rights in respect of such assets.
- Scrap and redundant assets were identified; however, no provision or write-off has been recognized in the financial statements.
- As per the Forensic Audit Report dated 16.08.2023, the Corporate Debtor has manipulated asset classification by routing transactions through accounts such as "*Creation of Fixed Assets*" and "*Creation of Assets*", thereby converting fixed assets into current assets and vice versa. These practices, carried out at periodic intervals, appear to have been adopted to manipulate financial ratios and facilitate submissions made to lenders against credit exposures. Such irregular accounting treatment indicates potential misstatement of financial statements and non-compliance with applicable accounting standards.

Because of the significance of the matters described above, we were unable to obtain sufficient appropriate audit evidence to verify the existence, ownership, valuation, and completeness of the balance of Property, Plant and Equipment (PPE) and depreciation reported in the financial statements.

2. As per the report of the independent Chartered Engineer appointed by the Resolution Professional, certain items recorded under Capital Work-in-Progress (CWIP) in the books of account and the depreciation register provided by the erstwhile management were not physically available at the Plant as on the date of commencement of the Corporate Insolvency Resolution Process (CIRP).

The financial impact of these discrepancies has not been quantified or recognized in the accompanying financial statements. Accordingly, we were unable to obtain sufficient appropriate audit evidence regarding the existence and valuation of CWIP as reported in the financial statements.



3. The Company holds equity investments in certain group companies. In accordance with Ind AS 109 "*Financial Instruments*", such investments are required to be measured at fair value through profit or loss as at the balance sheet date and the resulting gain/loss should be recognized in the financial statements. However, no such fair valuation has been carried out by the management.

Further, we have not been provided with agreements relating to these investments, nor have we been provided with the financial statements of the investee companies. In the absence of fair valuation and sufficient appropriate audit evidence, we are unable to determine the correctness of the carrying value of these investments and the consequential impact on the financial statements, including the Statement of Profit and Loss and related disclosures.

4. Company faces a material uncertainty related to Going Concern because of heavy losses incurred during the current and previous periods. Further, the net worth of the Company has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In our opinion, the financial statement however have been prepared by the management on a going concern basis for the reason as stated. Based on the information available, the Company is presently under the Corporate Insolvency Resolution Process (CIRP) initiated pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT), New Delhi dated November 25, 2022. The Resolution Professional (RP) has invited and evaluated Resolution Plans, and the plan has been approved by the Committee of Creditors (CoC) and is pending approval before the Hon'ble NCLT. In view of the ongoing CIRP and the likelihood of resolution through the approval of a Resolution Plan, the financial statements of the Company have been prepared on a going concern basis. Accordingly, we conclude that the use of the going concern assumption in the preparation of the accompanying financial statements is appropriate under the given circumstances.
5. The Company's net worth has been fully eroded and it is under severe financial stress. Based on the information and explanations given to us, and on the basis of financial ratios, ageing and expected realization of financial assets, payment schedules of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors'/Resolution Professional's plans, and our examination of the evidence supporting the assumption, there exists a material uncertainty indicating that the Company is not capable of meeting its liabilities existing as at the balance sheet date as and when they fall due within a period of one year from the balance sheet date.
6. A Transaction-cum-Forensic Audit was carried out for the period April 01, 2017 to November 25, 2022 (as the books of accounts for the period April 01, 2015 to March 31, 2017 have not been made available by the suspended director till date). The forensic auditor has reported preferential, undervalued, fraudulent, and extortionate transactions aggregating to ₹369.71 crores, covered under Sections 43, 45, 50, and 66 of the Insolvency and Bankruptcy Code, 2016. Applications for reversal of these transactions have been filed before the Hon'ble National Company Law Tribunal (NCLT).

In view of the pending adjudication of these matters before the Hon'ble NCLT and absence of sufficient appropriate audit evidence regarding the recoverability and ultimate impact of such transactions on the financial statements, we are unable to comment on the adjustments, if any, that may be required in the accompanying financial results.

7. We draw attention to the findings reported in the Forensic Audit carried out by an independent forensic auditor appointed by the Resolution Professional. As per the forensic audit report, the Corporate Debtor had sold land situated at Nalagarh on 31st December 2019, originally purchased for ₹2.29 crores, to M/s AKJ Metals Private Limited for ₹2.30 crores, resulting in a nominal gain of ₹1 lakh.



The forensic auditor has observed that the fair market value of the said land, as per the Valuation Report dated 15th May 2023, was ₹9.06 crores. Based on reverse calculation using the Cost of Inflation Index, the indexed cost was worked out at ₹7.52 crores, resulting in an imputed loss/fraud of approximately ₹5.22 crores, which has neither been recognized in the books of account nor appropriately disclosed in the financial statements.

Further, it has been noted that the transaction involved related parties and entities having influence over the Corporate Debtor, indicating that the transaction may be prejudicial to the interests of the Company and its stakeholders.

8. The Company has received regulatory notices and summons from various government authorities, including the Serious Fraud Investigation Office (SFIO), Enforcement Directorate (ED), Directorate General of GST Intelligence (DGGST), and the Income Tax Department. Investigations by DGGST allege fraudulent availment of fake Input Tax Credit (ITC) amounting to approximately ₹214 crores through paper invoices, dummy companies, and other contrived arrangements, purportedly under the direction of the erstwhile Managing Director.

Pending conclusion of the said investigations and proceedings, the management/Resolution Professional has not made any adjustments or disclosures of possible financial implications in the accompanying financial results. In the absence of sufficient appropriate audit evidence to evaluate the possible financial impact of such regulatory actions on the financial statements, we are unable to determine whether any adjustments are required to the carrying amounts of assets, liabilities, expenses and disclosures.

9. The Company has received notices and is subject to investigations by various agencies, including **FIR No. 182/2022** registered by the Economic Offence Wing, New Delhi, and **FIR No. 615/2023** registered by Police Station Madhav Nagar, Katni, M.P., in relation to allegations of fraud, misappropriation, and non-return of job work material. These matters are presently under investigation.

Pending the outcome of such investigations and in the absence of sufficient appropriate audit evidence, no adjustments have been made in the accompanying financial statements for any potential financial implications arising therefrom. Accordingly, we are unable to determine whether any adjustments are required to the carrying values of assets, liabilities, expenses, or disclosures.

10. Company borrowings were declared as non performing asset (NPA) during the year ended March 31, 2020. Due to this, we have not been provided with any document confirming balances, as at June 30, 2023, for loans granted by financial institutions and banks, BG Invocation liability towards banks, bill discounting liability towards banks, certain current accounts and fixed deposits held by the Company. In the absence of such document, we cannot comment on the accuracy and completeness of these balances. The Company has not recognized interest expenses in its financial statement on its outstanding borrowings.

11. The Company has received multiple notices from the Income Tax Department, including:

- **Notice under Section 221(1)** dated July 31, 2025, from the Assistant Commissioner of Income Tax, Central Circle 32, Delhi, indicating substantial outstanding tax demands across several assessment years. The Company has been directed to show cause why penalty should not be levied for non-payment of these demands.
- **Notice under Section 148A(3)** dated June 28, 2025, for Assessment Year 2019–20, wherein the Income Tax Department has alleged that the Company engaged in **bogus sale-purchase transactions** and claimed **fraudulent Input Tax Credit (ITC)** amounting to ₹214.34 crores during FY 2017–18 and FY 2018–19. The corresponding **fake purchase transactions** are estimated at ₹1,190.78 crores. The notice further states that the Company failed



to provide substantive documentary evidence and that the transactions with various entities were found to be merely on paper, with no actual movement of goods. As a result, income aggregating to ₹915.00 crores is considered to have **escaped assessment** under Section 147 of the Act.

The Company has responded to the notices citing the moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016, due to its ongoing Corporate Insolvency Resolution Process (CIRP). However, the tax authorities have rejected this contention and proceeded with reopening the assessment.

We also understand that the Income Tax Department has filed claim before the RP as per the IBC, 2016 in respect of their claim as on the CIRP commencement date for Rs. 79,37,03,360/- raised till 12.12.2022 upto the Assessment Year 2020-21 and the said claim would be dealt with as per the Resolution Plan to be approved by the Hon'ble NCLT in due course.

In the absence of sufficient and appropriate audit evidence regarding the resolution of these matters, the potential financial impact of penalties, tax liabilities, and adjustments arising from these proceedings cannot be reliably estimated. Accordingly, we are unable to determine the consequential effect, if any, on the financial statements for the year ended March 31, 2023.

Based on our review conducted as above, *except for the effects/possible effects of the matters specified in Para 6 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in term of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

In addition to the matters described above, we consider it necessary, in the interest of stakeholders and public interest, to draw attention to certain significant issues, which have been included by us in the *Other Matter* paragraphs below.

7. Other Matters:

- (a) The Company has incurred continuous losses, its current liabilities exceed current assets, and it has defaulted in repayment of borrowings as well as in payment of certain regulatory and statutory dues. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- (b) The accounts, however, have been prepared by the management on a going concern basis, considering the reasons stated in the financial results and the approval of a resolution plan submitted by M/s JTL Industries Limited, the approval of a resolution plan submitted by M/s JTL Industries, which was approved by the Committee of Creditors in the 22nd Adjourned meeting held on 05th June, 2025 and Voting concluded on 17 August 2024.
- (c) The said resolution plan is pending approval by the Hon'ble National Company Law Tribunal (NCLT). Pending such approval, we are unable to obtain sufficient appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the standalone financial results.



R. BANSAL & CO.

CHARTERED ACCOUNTANTS

- (d) In view of the ongoing Corporate Insolvency Resolution Process (CIRP) and various matters pending before regulatory authorities, the outcome of which cannot presently be ascertained, a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.
- (e) We were not the statutory auditors of the Company for the year ended March 31, 2022 and accordingly did not audit or express an opinion on the standalone financial statements of the Company for that year. Further, the standalone financial results for the quarters ended June 30, 2022 and September 30, 2022 were reviewed by the predecessor auditor.

We have been appointed by the Resolution Professional during the Corporate Insolvency Resolution Process (CIRP) to undertake the quarterly reviews of the remaining quarters of FY 2022-23, FY 2023-24 and FY 2024-25, and to conduct the statutory audits of the standalone and consolidated financial statements of the Company for the years ended March 31, 2023, March 31, 2024 and March 31, 2025.

- (f) The forensic audit has reported that the Corporate Debtor has an outstanding balance with M/s Shilpi Cable Technologies Limited, amounting to ₹48.36 crores, pertaining to transactions of earlier years. As per external investigations, including those by the Central Bureau of Investigation (CBI), M/s Shilpi Cable Technologies Limited and its promoters have been accused of allegedly cheating a consortium of banks to the extent of ₹1,000 crores, involving misuse of Letters of Credit, diversion of funds, and excess payments. The Company's books of account reflect no sales to this party, though payments were received in earlier years and adjusted against London Metal Exchange (LME) differences.
- (g) The forensic audit has further reported that, as per the sanction letter issued by Union Bank of India dated October 29, 2018, an industrial land and building located at 108, HPSIDC, Baddi, Himachal Pradesh – 173005, was to be mortgaged with the bank as prime security. However, the property has been alleged to have been sold by the Corporate Debtor to M/s AKJ Metals Private Limited, resulting in a total loss of ₹10.12 crores.
- (h) The forensic audit has also observed that despite regular purchases of Plant and Machinery aggregating to ₹6.60 crores during FY 2017-18 to FY 2020-21, no value addition in turnover was noticed; instead, turnover reduced drastically by 96% (from ₹1,737.11 crores in FY 2017-18 to ₹70.80 crores in FY 2020-21). In the absence of satisfactory explanations or supporting documents, the forensic audit has opined that these substantial payments towards machinery purchases, and additional expenses of ₹77.42 lakhs booked under Repairs & Maintenance, indicate possible siphoning of funds by the Corporate Debtor.
- (i) The forensic audit has further reported that the Corporate Debtor sold goods and job work services aggregating to ₹13.88 crores during earlier periods to parties including M/s R N International (₹12.39 crores) and M/s H H Metals (₹1.49 crores) without realizing any consideration. Subsequently, such balances were written off in full in FY 2021-22. The forensic audit has opined that these transactions were in the nature of fraud, as stock was removed from the books by recording sales for which no money was received.

S.C.O 125-126, 3rd Floor, Sector 17-C, Chandigarh-160 017

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Branches: Chandigarh, New Delhi, Ahmedabad, Bathinda



R. BANSAL & CO.

CHARTERED ACCOUNTANTS

- (j) In addition to the above matters, the forensic audit report has also highlighted instances of fake sales and purchase transactions entered into by the Corporate Debtor, indicating further irregularities in the books of accounts.

Our opinion is not modified in respect of these matters.

For R Bansal & Co.
Chartered Accountants
ICAI Firm Registration No. 002736N

Ashwani Bansal
Partner
Membership No. 529077

UDIN: 25529077BMOXMX4641

Place: Chandigarh
Date: September 9th, 2025

ASHWANI BANSAL Digitally signed by
ASHWANI BANSAL
Date: 2025.09.09
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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

S.No	Particulars	Quarter ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
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	b) Other Income	22.20	0.56	0.76	10.79
	Total income	108.57	124.38	569.45	2,312.68
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	b) Purchase of stock in trade	-	-	-	-
	c) Change in inventories of Finished goods, W.I.P and Stock In trade	35.90	19.68	96.88	331.15
	d) Employee benefit expense	56.80	46.67	92.41	341.01
	e) Finance cost	-	5.00	1.04	163.75
	f) Depreciation and amortisation expense	209.27	96.09	192.78	577.42
	g) Other Expenditure	47.78	64.13	204.22	562.90
	Total expenses	364.26	376.99	987.48	3,736.28
3	Profit/(Loss) from operations before, tax, exceptional items, Prior Period	(255.68)	(252.61)	(418.03)	(1,423.60)
4	Exceptional Items	-	-	-	-
5	Prior Period Items	-	-	-	-
6	Profit/(Loss) before tax	(255.68)	(252.61)	(418.03)	(1,423.60)
7	Tax expense				
	(1) Current Tax	-	-	-	-
	(2) Deferred Tax	(14.48)	379.79	(4.33)	295.74
	Total Tax Expense	(14.48)	379.79	(4.33)	295.74
8	Net Profit / (Loss) from ordinary activities after tax	(241.20)	(632.40)	(413.70)	(1,719.34)
9	Other Comprehensive Income	-	-	7.43	9.95
10	Total Comprehensive Income / (Loss)	(241.20)	(632.40)	(406.27)	(1,709.39)
11	Paid Up Equity Share Capital (Face Value of Rs.10/- each)	1,567.64	1,567.64	1,567.64	1,567.64
12	Earning Per Share (of Rs.10/- each) (not annualised)				
	a) Basic	(1.54)	(4.03)	(2.64)	(10.97)
	b) Diluted	(1.54)	(4.03)	(2.64)	(10.97)

Notes: -

- The above financial results for the quarter ended June 30th, 2023, have been reviewed by the Resolution professional on September 9th, 2025.
- The Company activity during the year revolves around manufacturing of all kind of metals and metal products, considering the nature of business and operations of the Company, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 - "Operating Segments".
- During the year ended March 31, 2020, the lenders to the Company have declared the Loan account of the Company as "non performing asset" (NPA) due to non-payment of interest due and borrowed amount. Accordingly, thereafter the Company had stopped making provision for interest expense in books of accounts.
- The net worth of the Company has been fully eroded, although this indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to the Application filed by the Standard Chartered Bank (Singapore) Limited (Operational Creditor) under section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC-2016), vide order dated November 25, 2022 of the Hon'ble National Company Law Tribunal (NCLT) New Delhi in C.P (IB) No. 2688 of 2019 and Mr. Brijesh Singh Bhadauriya was appointed as Interim Resolution Professional (IRP) and subsequently confirmed as the Resolution Professional ("RP") under the provisions of the Code. The said order was uploaded on the website and available to the RP on November 30, 2022. Accordingly, the Company is currently under the CIRP process as per the provisions of the Insolvency and Bankruptcy Code, 2016. Further, the Resolution Plan in this process has been approved by the Committee of Creditors and the same is pending approval of the Hon'ble NCLT and the Orders in this regard have been reserved after conclusion of hearings in the matter on 31.07.2025. In view of this, the financial results have been prepared on a going concern basis, considering the ongoing resolution process and the expectation of revival through CIRP.
- The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
- The Directors, the then Statutory Auditors and the then Compliance Officer of the Company were not cooperative in providing the desired information and documents promptly to the RP after commencement of the CIRP. Consequently, the RP was constrained to file an Intervention Application under Section 19(2) of the IBC-2016, before the Hon'ble NCLT vide IA No.1396/2023 dated 03.03.2023, seeking necessary directions to the Directors, Statutory Auditors, and Compliance Officer of the Company to provide the required information and documents. Further, despite such application, proper and complete data has still not been provided till date leading delay and inadequate disclosures.
- The Resolution Professional has not been provided with the requisite financial statements, data, and agreements pertaining to the associates and subsidiaries of the Company by the suspended management. In the absence of such information, the balances and financial results of the said associates and subsidiaries have not been considered in the preparation of the consolidated financial results for the current period. Accordingly, the accompanying consolidated financial results include only the financial information available with the Resolution Professional in respect of the Corporate Debtor.
- Figures for the previous periods have been re-grouped/ rearranged/ restated wherever necessary to make them comparable with those of the current period.

For R. BANSAL & CO
Chartered Accountants
Firm Registration Number: 002736N
Ashwani Bansal
Partner

Membership Number: 529077
UDIN Number: 25529077BMOXMX4641
Place: Delhi
Date: September 9th, 2025

ASHWAN I BANSAL
Digitally signed by
ASHWANI BANSAL
Date: 2025.09.09
11:31:47 +05'30'

For RCI INDUSTRIES & TECHNOLOGIES LIMITED
(UNDER CIRP)

BRIJESH SINGH BHADAURIYA
Digitally signed by BRIJESH SINGH BHADAURIYA
Date: 2025.09.09 11:25:56 +05'30'

Brijesh Singh Bhadauriya
Resolution Professional
(IBBI/PA-002/IP-N01045/2020-21/13385)
bsb@bsbandassociates.in



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report To

To The Suspended Board of Directors/ Resolution Professional (RP)
RCI Industries and Technologies Limited

1. Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC) :-

The Application was filed by the Standard Chartered Bank (Singapore) Limited (Operational Creditor) under section 9 of the Insolvency and Bankruptcy Code, 2016 (Code) for commencement of Corporate Insolvency Resolution Process (CIRP) in the matter of RCI Industries & Technologies Limited ("Corporate Debtor" or "Company"). Hon'ble National Company Law Tribunal (NCLT) New Delhi vide its order dated November 25, 2022 in C.P (IB) No. 2688 of 2019, commenced the CIRP in the matter of Corporate Debtor and appointed Mr. Brijesh Singh Bhadauriya as Interim Resolution Professional (IRP) subsequently confirming him as the Resolution Professional ("RP") under the provisions of the Code. The said order was uploaded on the website and available to the RP on November 30, 2022.

2. We have been informed by the Resolution Professional (RP) that the Directors, Statutory Auditors, and Compliance Officer of the Company were not cooperative in providing the desired information and documents promptly to the RP. Consequently, the RP was constrained to file an Intervention Application under Section 19(2) of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT) [IA No. 1396/2023 dated 03.03.2023], seeking necessary directions to the Directors, Statutory Auditors, and Compliance Officer of the Company to provide the required information and documents. The RP has further informed that despite such application, proper and complete data has still not been provided to the RP till date.

3. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **RCI Industries & Technologies Limited** ("the Parent") and its subsidiaries (together referred to as "the Group") for the quarter ended June 30, 2023 ("the Statement"), which has been submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

4. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "*Interim Financial Reporting*" prescribed under Section 133 of the Companies Act, 2013, as amended, 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 Statement has been approved by the Parent Company's Board of Directors/Resolution professional. Our responsibility is to express a conclusion on the Statement based on our review.



5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”* issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
6. We have not been provided with the financial statements of the parent’s subsidiaries and associates. Accordingly, the financial results of these subsidiaries and associates have not been included in the financial results for this quarter.

7. Basis for Qualified Conclusion

- a. The Parent Company has not maintained a proper Fixed Asset Register. Major details such as cost of assets, accumulated depreciation of previous years, actual purchase dates, invoice numbers, vendor names, and appropriate descriptions of assets are not available in the depreciation chart provided to us.

Further, during our audit, we observed the following:

- Significant discrepancies were noted in the depreciation chart, including non-availability of certain assets, existence of assets not recorded, mismatches in descriptions/models, absence of asset tags, and weak internal controls.
- As per the report of the independent Chartered Engineer appointed by the Resolution Professional, certain items of Plant & Machinery were found to be idle, non-functional, redundant, and materially overstated. Further, the Chartered Engineer has also reported that various items of Plant & Machinery were missing as on the CIRP date. Also, machinery purchased from Devi Metals was overstated by 40–50%, second-hand machinery by 40–50%, and new machinery by 30–35%.
- Supporting documents such as invoices, purchase orders, and ownership proofs for major items of Plant & Machinery were not made available to us. Accordingly, we were unable to verify capitalization, ownership, and valuation of such assets.
- Certain vehicles recorded in the books are registered in the names of third parties, raising doubt over the Parent Company’s ownership rights in respect of such assets.
- Scrap and redundant assets were identified; however, no provision or write-off has been recognized in the financial statements.
- As per the Forensic Audit Report dated 16.08.2023, the Corporate Debtor has manipulated asset classification by routing transactions through accounts such as *“Creation of Fixed Assets”* and *“Creation of Assets”*, thereby converting fixed assets into current assets and vice versa. These practices, carried out at periodic intervals, appear to have been adopted to manipulate financial ratios and facilitate submissions made to lenders against credit exposures. Such irregular accounting treatment indicates potential misstatement of financial statements and non-compliance with applicable accounting standards.

Because of the significance of the matters described above, we were unable to obtain sufficient appropriate audit evidence to verify the existence, ownership, valuation, and completeness of the balance of Property, Plant and Equipment (PPE) and Depreciation reported in the financial statements.



- b. As per the report of the independent Chartered Engineer appointed by the Resolution Professional, certain items recorded under Capital Work-in-Progress (CWIP) in the books of account and the depreciation register provided by the erstwhile management were not physically available at the Plant as on the date of commencement of the Corporate Insolvency Resolution Process (CIRP).

The financial impact of these discrepancies has not been quantified or recognized in the accompanying financial statements. Accordingly, we were unable to obtain sufficient appropriate audit evidence regarding the existence and valuation of CWIP as reported in the financial statements.

- c. The Parent Company holds equity investments in certain group companies. In accordance with Ind AS 109 "*Financial Instruments*", such investments are required to be measured at fair value through profit or loss as at the balance sheet date and the resulting gain/loss should be recognized in the financial statements. However, no such fair valuation has been carried out by the management.

Further, we have not been provided with agreements relating to these investments, nor have we been provided with the financial statements of the investee companies. In the absence of fair valuation and sufficient appropriate audit evidence, we are unable to determine the correctness of the carrying value of these investments and the consequential impact on the financial statements, including the Statement of Profit and Loss and related disclosures.

- d. Parent Company faces a material uncertainty related to Going Concern because of heavy losses incurred during the current and previous periods. Further, the net worth of the Parent Company has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Parent Company's ability to continue as a going concern. In our opinion, the financial statement however have been prepared by the management on a going concern basis for the reason as stated. Based on the information available, the Parent Company is presently under the Corporate Insolvency Resolution Process (CIRP) initiated pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT), New Delhi dated November 25, 2022. The Resolution Professional (RP) has invited and evaluated Resolution Plans, and the plan has been approved by the Committee of Creditors (CoC) and is pending approval before the Hon'ble NCLT. In view of the ongoing CIRP and the likelihood of resolution through the approval of a Resolution Plan, the financial statements of the Parent Company have been prepared on a going concern basis. Accordingly, we conclude that the use of the going concern assumption in the preparation of the accompanying financial statements is appropriate under the given circumstances.
- e. The Parent Company's net worth has been fully eroded and it is under severe financial stress. Based on the information and explanations given to us, and on the basis of financial ratios, ageing and expected realization of financial assets, payment schedules of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors'/Resolution Professional's plans, and our examination of the evidence supporting the assumption, there exists a material uncertainty indicating that the Parent Company is not capable of meeting its liabilities existing as at the balance sheet date as and when they fall due within a period of one year from the balance sheet date.
- f. A Transaction-cum-Forensic Audit was carried out for the period April 01, 2017 to November 25, 2022 (as the books of accounts for the period April 01, 2015 to March 31, 2017 have not been made available by the suspended director till date). The forensic auditor has reported preferential, undervalued, fraudulent, and extortionate transactions aggregating to ₹369.71 crores, covered under Sections 43, 45, 50, and 66 of the Insolvency and Bankruptcy Code, 2016. Applications for reversal of these transactions have been filed before the Hon'ble National Company Law Tribunal (NCLT).



In view of the pending adjudication of these matters before the Hon'ble NCLT and absence of sufficient appropriate audit evidence regarding the recoverability and ultimate impact of such transactions on the financial statements, we are unable to comment on the adjustments, if any, that may be required in the accompanying financial results.

- g. We draw attention to the findings reported in the Forensic Audit carried out by an independent forensic auditor appointed by the Resolution Professional. As per the forensic audit report, the Corporate Debtor had sold land situated at Nalagarh on 31st December 2019, originally purchased for ₹2.29 crores, to M/s AKJ Metals Private Limited for ₹2.30 crores, resulting in a nominal gain of ₹1 lakh.

The forensic auditor has observed that the fair market value of the said land, as per the Valuation Report dated 15th May 2023, was ₹9.06 crores. Based on reverse calculation using the Cost of Inflation Index, the indexed cost was worked out at ₹7.52 crores, resulting in an imputed loss/fraud of approximately ₹5.22 crores, which has neither been recognized in the books of account nor appropriately disclosed in the financial statements.

Further, it has been noted that the transaction involved related parties and entities having influence over the Corporate Debtor, indicating that the transaction may be prejudicial to the interests of the Company and its stakeholders.

- h. The Parent Company has received regulatory notices and summons from various government authorities, including the Serious Fraud Investigation Office (SFIO), Enforcement Directorate (ED), Directorate General of GST Intelligence (DGGST), and the Income Tax Department. Investigations by DGGST allege fraudulent availment of fake Input Tax Credit (ITC) amounting to approximately ₹214 crores through paper invoices, dummy companies, and other contrived arrangements, purportedly under the direction of the erstwhile Managing Director.

Pending conclusion of the said investigations and proceedings, the management/Resolution Professional has not made any adjustments or disclosures of possible financial implications in the accompanying financial results. In the absence of sufficient appropriate audit evidence to evaluate the possible financial impact of such regulatory actions on the financial statements, we are unable to determine whether any adjustments are required to the carrying amounts of assets, liabilities, expenses and disclosures.

- i. The Parent Company has received notices and is subject to investigations by various agencies, including **FIR No. 182/2022** registered by the Economic Offence Wing, New Delhi, and **FIR No. 615/2023** registered by Police Station Madhav Nagar, Katni, M.P., in relation to allegations of fraud, misappropriation, and non-return of job work material. These matters are presently under investigation.

Pending the outcome of such investigations and in the absence of sufficient appropriate audit evidence, no adjustments have been made in the accompanying financial statements for any potential financial implications arising therefrom. Accordingly, we are unable to determine whether any adjustments are required to the carrying values of assets, liabilities, expenses, or disclosures.

- j. Parent Company borrowings were declared as nonperforming asset (NPA) during the year ended March 31, 2020. Due to this, we have not been provided with any document confirming balances, as at December 31, 2022, for loans granted by financial institutions and banks, BG Invocation liability towards banks, bill discounting liability towards banks, certain current accounts and fixed deposits held by the Company. In the absence of such document, we cannot comment on the accuracy and completeness of these balances.
The Company has not recognized interest expenses in its financial statement on its outstanding borrowings.



- k. The Parent Company has received multiple notices from the Income Tax Department, including:
- **Notice under Section 221(1)** dated July 31, 2025, from the Assistant Commissioner of Income Tax, Central Circle 32, Delhi, indicating substantial outstanding tax demands across several assessment years. The Company has been directed to show cause why penalty should not be levied for non-payment of these demands.
 - **Notice under Section 148A(3)** dated June 28, 2025, for Assessment Year 2019–20, wherein the Income Tax Department has alleged that the Company engaged in **bogus sale-purchase transactions** and claimed **fraudulent Input Tax Credit (ITC)** amounting to ₹214.34 crores during FY 2017–18 and FY 2018–19. The corresponding **fake purchase transactions** are estimated at ₹1,190.78 crores. The notice further states that the Company failed to provide substantive documentary evidence and that the transactions with various entities were found to be merely on paper, with no actual movement of goods. As a result, income aggregating to ₹915.00 crores is considered to have **escaped assessment** under Section 147 of the Act.

The Parent Company has responded to the notices citing the moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016, due to its ongoing Corporate Insolvency Resolution Process (CIRP). However, the tax authorities have rejected this contention and proceeded with reopening the assessment.

We also understand that the Income Tax Department has filed claim before the RP as per the IBC, 2016 in respect of their claim as on the CIRP commencement date for Rs. 79,37,03,360/- raised till 12.12.2022 upto the Assessment Year 2020-21 and the said claim would be dealt with as per the Resolution Plan to be approved by the Hon'ble NCLT in due course.

In the absence of sufficient and appropriate audit evidence regarding the resolution of these matters, the potential financial impact of penalties, tax liabilities, and adjustments arising from these proceedings cannot be reliably estimated. Accordingly, we are unable to determine the consequential effect, if any, on the financial statements for the year ended March 31, 2023.

Based on our review conducted as above, *except for the effects/possible effects of the matters specified in Paragraph 7 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

In addition to the matters described above, we consider it necessary, in the interest of stakeholders and public interest, to draw attention to certain significant issues, which have been included by us in the *Other Matter* paragraphs below.

8. Other Matters:

- (a) The Parent Company has incurred continuous losses, its current liabilities exceed current assets, and it has defaulted in repayment of borrowings as well as in payment of certain regulatory and statutory dues. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- (b) The accounts, however, have been prepared by the management on a going concern basis, considering the reasons stated in the financial results and the approval of a resolution plan submitted by M/s JTL Industries Limited, the



approval of a resolution plan submitted by M/s JTL Industries, which was approved by the Committee of Creditors in the 22nd Adjourned meeting held on 05th June, 2025 and Voting concluded on 17 August 2024.

- (c) The said resolution plan is pending approval by the Hon'ble National Company Law Tribunal (NCLT). Pending such approval, we are unable to obtain sufficient appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the consolidated financial results.
- (d) In view of the ongoing Corporate Insolvency Resolution Process (CIRP) and various matters pending before regulatory authorities, the outcome of which cannot presently be ascertained, a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.
- (e) We were not the statutory auditors of the Parent Company for the year ended March 31, 2022 and accordingly did not audit or express an opinion on the standalone and consolidated financial statements of the Company for that year. Further, the standalone and consolidated financial results for the quarters ended June 30, 2022 and September 30, 2022 were reviewed by the predecessor auditor.

We have been appointed by the Resolution Professional during the Corporate Insolvency Resolution Process (CIRP) to undertake the quarterly reviews of the remaining quarters of FY 2022-23, FY 2023-24 and FY 2024-25, and to conduct the statutory audits of the standalone and consolidated financial statements of the Company for the years ended March 31, 2023, March 31, 2024 and March 31, 2025.

- (f) The forensic audit has reported that the Corporate Debtor has an outstanding balance with M/s Shilpi Cable Technologies Limited, amounting to ₹48.36 crores, pertaining to transactions of earlier years. As per external investigations, including those by the Central Bureau of Investigation (CBI), M/s Shilpi Cable Technologies Limited and its promoters have been accused of allegedly cheating a consortium of banks to the extent of ₹1,000 crores, involving misuse of Letters of Credit, diversion of funds, and excess payments. The Company's books of account reflect no sales to this party, though payments were received in earlier years and adjusted against London Metal Exchange (LME) differences.
- (g) The forensic audit has further reported that, as per the sanction letter issued by Union Bank of India dated October 29, 2018, an industrial land and building located at 108, HPSIDC, Baddi, Himachal Pradesh – 173005, was to be mortgaged with the bank as prime security. However, the property has been alleged to have been sold by the Corporate Debtor to M/s AKJ Metals Private Limited, resulting in a total loss of ₹10.12 crores.
- (h) The forensic audit has also observed that despite regular purchases of Plant and Machinery aggregating to ₹6.60 crores during FY 2017-18 to FY 2020-21, no value addition in turnover was noticed; instead, turnover reduced drastically by 96% (from ₹1,737.11 crores in FY 2017-18 to ₹70.80 crores in FY 2020-21). In the absence of satisfactory explanations or supporting documents, the forensic audit has opined that these substantial payments towards machinery purchases, and additional expenses of ₹77.42 lakhs booked under Repairs & Maintenance, indicate possible siphoning of funds by the Corporate Debtor.
- (i) The forensic audit has further reported that the Corporate Debtor sold goods and job work services aggregating to ₹13.88 crores during earlier periods to parties including M/s R N International (₹12.39 crores) and M/s H H Metals (₹1.49 crores) without realizing any consideration. Subsequently, such balances were written off in full in FY 2021-22. The forensic audit has opined that these transactions were in the nature of fraud, as stock was removed from the books by recording sales for which no money was received.



R. BANSAL & CO.

CHARTERED ACCOUNTANTS

- (j) In addition to the above matters, the forensic audit report has also highlighted instances of fake sales and purchase transactions entered into by the Corporate Debtor, indicating further irregularities in the books of accounts.

Our opinion is not modified in respect of these matters.

For R Bansal & Co.
Chartered Accountants
ICAI Firm Registration No. 002736N

Ashwani Bansal
Partner
Membership No. 529077

UDIN: 25529077BMOXMY9649

Place: Chandigarh
Date: September 9th, 2025

ASHWANI
BANSAL

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by ASHWANI
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