

06th July 2023

To
The Manager - Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G-Block, Bandra Kurla Complex,
Bandra (E), Mumbai- 400051, India

Dear Sir/Madam,

Sub: Outcome of Board Meeting and compliance of Regulation 30 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015

**Ref.: SYMBOL – INNOVATIVE
ISIN: INE070Y01015**

Pursuant to Regulation 30 of the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015, we wish to inform that the Resolution profession and Board of Directors of the company, at their just concluded meeting have unanimously approved the following matters.

- Approved standalone audited financial results for the half year and year ended 31st March, 2023 and Statement of Assets & Liabilities for the year ended 31st March 2023 and text to be submitted to stock exchange as per Regulation 33 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 (Copy of audited financial results, Report of Resolution Professional are attached herewith along with Reports of the Auditors thereon and Statement of Impact of Audit Qualifications as Annexure).
- Approved financial statements of the company and taken note of the Auditors' Report issued by M/s Haribhakti & Co LLP, Chartered Accountants, Vadodara for the half year and year ended 31st March, 2023.

The Board Meeting was commenced at 05:00 PM and concluded at 09:30 PM.

This is for your information and records.

Thanking you,

For Innovative Tyres & Tubes Limited

**Abhishek Nagori
Insolvency Professional
Resolution Professional for M/s Innovative Tyres and Tubes Limited
Regn. No. IBBI/IPA-001/IP-P00020/2016-17/10044**

INNOVATIVE TYRES & TUBES LTD

CIN: L25112GJ1995PLC086579

REGD. OFFICE: 1201,1202,1203-GIDC, Halol-389350, Panchmahal, Gujarat, India

website: www.innovativetyres.com Email: investors@innovativetyres.co.in Tel: 02676-220621

STATEMENT OF FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31ST MARCH, 2023

Sr. No.	Particulars	(Rs. in Lacs)				
		HALF YEAR AND YEAR ENDED			Year Ended	Year Ended
		31.03.2023	30.09.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)	(unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from Operations	32.79	129.65	1,013.07	162.44	5,156.98
2	Other Income	14.75	9.64	159.06	24.39	204.51
3	Total Income	47.54	139.29	1,172.13	186.83	5,361.50
4	Expenses:					
	(a) Cost of Raw Materials consumed/Sold	27.37	72.92	1,020.20	100.29	4,814.90
	(b) Change in inventories of finished goods and work-in-progress	19.05	135.83	3,318.59	154.88	3,253.22
	(c) Employee benefits expense	10.37	9.46	153.69	19.83	476.01
	(d) Finance Costs	0.01	8.76	117.89	8.77	306.50
	(e) Depreciation and amortisation expense	408.04	410.28	341.71	818.32	780.28
	(f) Other expenses	5,147.00	78.57	516.43	5,225.57	1,641.63
	Total Expenses	5,611.84	715.82	5,468.51	6,327.67	11,272.53
5	Profit/(Loss) before Tax	(5,564.30)	(576.53)	(4,296.38)	(6,140.83)	(5,911.03)
6	Tax Expense:					
	(a) Deferred Tax	(826.93)	(19.79)	11.37	(846.72)	(17.02)
	(b) Current Tax Expense	(0.46)	-	-	(0.46)	-
7	Profit/(Loss) after tax for the period	(4,736.91)	(556.74)	(4,307.75)	(5,293.65)	(5,894.01)
8	Earnings per equity share:					
	Basic (in Rs.)	(26.33)	(3.09)	(23.94)	(29.42)	(32.76)
	Diluted (in Rs.)	(26.33)	(3.09)	(23.94)	(29.42)	(32.76)

Notes :

- An application was filed for the initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against Innovative Tyres & Tubes Limited ("the Company") before the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), with a prayer to commence the CIRP. The Hon'ble NCLT vide its order dated 28th March 2022 admitted the said application for initiation of CIRP against the Company. Further, the Hon'ble NCLT gave orders for the appointment of Mr. Abhishek Nagori as the Interim Resolution Professional ("IRP") to perform all the functions as per the IBC and that the management of the Company shall vest in the IRP. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the CIRP under the IBC, or until the Hon'ble NCLT approves the resolution plan or passes an order for liquidation of the company, whichever is earlier. Further, In the ongoing CIRP of the Corporate Debtor, the Resolution Professional (RP) with the approval of Committee of Creditors (CoC) re-invited the Expression of Interest (EOI) in Form G on 31.10.2022 from the Potential Resolution Applicants (PRAs) to submit the Resolution Plan. Thereafter, the RP has received Resolution Plans from the Resolution Applicants. Subsequently, the CoC has approved the Resolution Plan submitted by Resolution Applicant in the 12th meeting held on 31.12.2022 and the said Resolution Plan has also been submitted to the honourable NCLT for approval. The order of the honourable NCLT for approval of Resolution Plan is awaited.
- The Audited financial results of the Company for the year ended 31st March, 2023 have been taken on record by the Resolution Professional ("RP") of the Company, Mr. Abhishek Nagori, who is appointed by the Committee of Creditors ("CoC") pursuant to the order passed by the Hon'ble National Company Law Tribunal ("NCLT"), while discharging the powers of the Board of Directors of the Company which were conferred upon him in accordance with the order dated 28th March 2022. It is also incumbent upon the RP, under Section 20 of the IBC, to manage the operations of the Company as a going concern. The Audited Financial Results of the Company for the year ended 31st March 2023 has been approved in the meeting of Resolution Professional and directors. As a part of the CIRP, the RP has appointed a Forensic Auditor for the Company with the approval of Committee of Creditors of the Company. The Forensic Audit Report has been received from the Forensic Auditor and as informed by the RP to the Stock exchange, no transactions have been identified in the Forensic Audit Report in the Forensic Audit Report as Preferential, Undervalued, Fraudulent, and Extortionate (PUFE) transactions. Since the RP has taken charge of the Company on 28 March, 2022, the RP is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company prior to his appointment and has relied on the position of the financial results of the Company as they existed on 28 March, 2022. Regarding the information pertaining to the period prior to 28 March, 2022, the RP has relied upon the explanation, clarifications, certifications, representations and statements made by the existing officials of the Company, who were also part of the Company prior to the appointment of the RP. Similarly, after RP has been appointed, the suspended board is not responsible for any actions taken by the RP and reflected in the financial results either as a transaction during the year or reflected as carry forward of balances of the transactions undertaken during his tenure. The above financial results of the Company for the year ended 31st March 2023 was subjected to audit by the Statutory Auditors of the Company, as required under Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 as amended ("Listing Regulations").

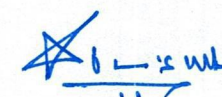


- 3 The Company's loan accounts have been classified as Non-Performing Asset (NPA) by the lenders. The Company has not made any provision for interest which has not been charged (including unrealised interest) by the Bank on account of NPA on Bank Borrowings and accordingly the loss & finance cost for the year ended 31st March, 2023 are understated and not quantifiable. The Auditors have drawn qualification in this regard in their Audit Report for the year ended March 31, 2023.
- 4 The Company has incurred net loss (after tax) of Rs. 5293.65 lacs during the year ended 31st March, 2023 and have accumulated losses of Rs. 6221.30 lacs as on 31st March, 2023. The net worth of the Company has been eroded and the financial performance of the Company had deteriorated substantially, and all the manufacturing operations have been stand still. Also, the Company continues to deal with a range of uncertainties and is presently not able to service its debts. The Company has assessed that the use of going concern assumption is appropriate in the circumstances and hence, these financial results has been prepared on a going concern assumption basis as per below:
- i) The IBC requires the RP to, among many other things, run the Company as a going concern during CIRP.
 - ii) The RP, in consultation with the Committee of Creditors of the Company, in accordance with the IBC, is making all endeavours to run the Company as a going concern.
 - iii) The RP has received Resolution Plans from the Resolution Applicants. Subsequently, the CoC has approved the Resolution Plan submitted by Resolution Applicant in the 12th meeting held on 31.12.2022 and the said Resolution Plan has also been submitted to the honourable NCLT for approval. The order of the honourable NCLT for approval of Resolution Plan is awaited.
- 5 The Company is engaged in the business of Tyre & Tubes and therefore, there is only one reportable segment in accordance with the Accounting Standard on Segment Reporting (AS-17).
- 6 During the year, there is no manufacturing activity carried out by the Company. All the Property, Plant and Equipment were unused and were locked stock in barrels much before NCLT Order dated 28th March 2022. The Technical Usable viability is difficult to determine during CIRP process. Further based on the possible outcome of CIRP, following the resolution process, the management has realised the need to impair the value of Property, Plant and Equipment by taking the basis of independent valuation. During the year, the Impairment loss of Rs 4922.45 Lacs is booked for Property, Plant and Equipment.
- 7 Under the CIRP there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities on account of claims by the creditors shall be determined during the CIRP and accounting impact if any will be given on completion of CIRP. During the CIRP, the Claims amounting to Rs.13,216 lacs from Creditors were received upto 11st October, 2022. Out of total claims of Rs. 13,216 lacs , Rs. 13,121 lacs has been accepted as of 11st October, 2022 comprising Rs.3,915 lacs as Secured and Rs.9,206 lacs as Unsecured. The Auditors have drawn qualification for non-provision of additional liabilities admitted and accepted under CIRP in their Audit Report for the year ended 31st March, 2023.
- 8 During the year ended 31st March, 2023 the Company has made provision for doubtful debts of Rs 165.68 Lacs on Trade Receivables.
- 9 The previous year figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Date : 06th July 2023
Place : Vadodara




Mukesh Desai
Director
DIN No.00089598


Abhishek Nagori
Resolution Professional (RP)

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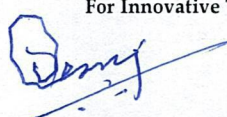
Statement of Assets and Liabilities

(Rs. Lacs)

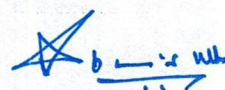
Particulars	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	1,799.16	1,799.16
(b) Reserves & Surplus	(6,221.30)	(927.65)
Sub- Total of Shareholders' Funds	(4,422.14)	871.51
(2) Non-Current Liabilities		
(a) Long term Borrowing	-	-
(a) Deferred tax liabilities (Net)	-	846.72
(b) Other Long term liabilities	-	-
(c) Long term provisions	-	-
Sub- Total of Non Current Liabilities	-	846.72
(3) Current Liabilities		
(a) Short-term borrowings	3,800.70	3,759.71
(b) Trade payables		
(i) Due to Micro & Small enterprises	112.78	112.78
(ii) Others	2,862.70	2,922.14
(c) Other current liabilities	1,249.46	1,248.17
(d) Short-term provisions	-	-
Sub- Total of Current Liabilities	8,025.64	8,042.80
TOTAL EQUITY AND LIABILITIES	3,603.49	9,761.03
II. ASSETS		
(1) Non-current assets		
(a) Property, Plant & Equipments and Intangible Assets		
(i) Property, Plant & Equipments	3,210.09	8,961.07
(ii) Capital work-in-progress	24.67	24.67
(ii) Intangible Assets	10.26	0.05
(b) Non-current investments	1.08	1.08
(c) Long term loans and advances	-	-
(d) Other Non Current Assets	170.77	198.85
Sub- Total of Non Current Assets	3,416.88	9,185.72
(2) Current assets		
(a) Inventories	0.06	255.23
(b) Trade receivables	10.39	193.98
(c) Cash and cash equivalents	123.65	29.27
(d) Short-term loans and advances	2.96	2.94
(e) Other Current Assets	49.55	93.89
Sub- Total of Current Assets	186.62	575.31
TOTAL ASSETS	3,603.49	9,761.03

For Innovative Tyres & Tubes Limited





Mukesh G Desai
Director
DIN No.00089598



Abhishek Nagori
Resolution Professional

Date : 06th July 2023
Place : Vadodara

visit us on : www.innovativetyres.com



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Cash Flow Statement for the year ended on 31st March 2023

(Rs. in Lacs)

Sr. No.	Particulars	31.03.2023	31.03.2022
1)	Cash Flow from Operating Activities		
	Profit before taxation	(6,140.83)	(5,911.03)
	Adjustment for:		
	(Profit)/Loss on sale of Fixed Assets	-	(48.93)
	Depreciation	818.32	780.28
	Impairment Loss	4,922.45	-
	Provision for gratuity	-	116.02
	Provision for leave	-	(74.64)
	Interest Received	(7.41)	(19.51)
	Doubtful Debts	165.58	18.19
	Sundry balance write off/write back	3.80	(97.18)
	Interest and finance charges	8.77	306.50
	Operating profit before working capital changes	(229.32)	(4,930.30)
	(Increase)/Decrease in		
	Inventories	255.17	3,654.05
	Trade Receivables	18.00	1,184.02
	Short Term Loans and Advances	(0.02)	35.10
	Other current assets	42.61	208.00
	Long Term loans and Advances	-	-
	Other Non Current Assets	24.29	28.62
	Increase/ (Decrease) in		
	Trade payables	(59.44)	(182.41)
	Other current liabilities	1.29	(52.82)
	Short-term/long term provisions	-	(246.70)
	Other Long Term Liabilities	-	-
	Cash generated from operations	52.57	(302.44)
	Income taxes and other taxes (net of refunds)	2.19	7.63
	Net cash from Operating Activities - A	54.76	(294.82)
2)	Cash flow from Investment Activities		
	Purchase of fixed assets	-	(25.87)
	Interest received	7.41	19.51
	Investment in Shares	-	-
	Sale of Fixed Assets	-	165.87
	Net cash from Investment Activity - B	7.41	159.51
3)	Cash Flow from Financing Activities:		
	Net Proceeding from All borrowings	40.99	63.46
	Proceeds from Share issue & premium from promoters	-	-
	Share issue Expenses	-	-
	Interest and finance charges paid	(8.77)	(306.50)
	Net cash from Financing Activities - C	32.21	(243.04)
	Net Increase/(decrease) in Cash and cash equivalents (A+B+C)	94.38	(378.36)
	Cash and cash equivalents as on 1 st April, 2022	29.27	407.63
	Cash and cash equivalents as on 31st March 2023	123.65	29.27

For Innovative Tyres & Tubes Limited



Mukesh G Desai

Director

DIN No.00089598

Abhishek Nagori

Resolution Professional

Date : 06th July 2023

Place : Vadodara



Abhishek Nagori
Insolvency Professional
Resolution Professional for M/s Innovative Tyres and Tubes Limited
(Under Corporate Insolvency Resolution Process)
Regn. No. IBBI/IPA-001/IP-P00020/2016-2017/10044
330/348, Third Floor, Tower-A, Atlantis K-10,
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E-mail: cirp.ittl@ddip.in; jlnusb@gmail.com

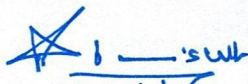
Report of Resolution Professional

The members are informed that the Hon'ble National Company Law Tribunal, Ahmedabad Bench, has ordered the Commencement of Corporate Insolvency Resolution Process of "M/s Innovative Tyres and Tubes Limited" (Corporate Debtor) (CIN- L25112GJ1995PLC086579) vide NCLT order No. C.P (I.B) No. 261/NCLT(AHM)2021, Dated: 28.03.2022 (CIRP Process Commencement Date). Pursuant to the Order, Mr. Abhishek Nagori, insolvency professional (having IBBI Registration number (IBBI/IPA-001/IP-P00020/2016-17/10044) has been appointed as Interim Resolution Professional. On 26th April 2022 Mr. Abhishek Nagori confirmed as Resolution Professional of M/s Innovative Tyres and Tubes Limited by passing unanimous resolution in the 1st Committee of Creditor meeting at Ahmedabad.

The Statement of Audited Standalone Financial Results for the half year ended 31st March 2023 and year ended 31st March 2023 have been prepared by the management of company and certified by Mr. Mukesh G Desai - Director (suspended). The Resolution Professional has relied upon the certifications, representations and statements made by the management while reviewing the financial results.

The Resolution Professional has, however not authenticated the correctness of enclosed the Statement of Audited Standalone Financial Results for the half year ended 31st March 2023 and year ended 31st March 2023 of the company for any purpose whatsoever including but not limited to the Companies Act, 2013 and the Securities and Exchange Board of India Act, 1992 when they belong to transactions and carry forward balances of the period before initiation of the Corporate Insolvency Resolution Process i.e. 28.03.2022.

Yours sincerely,



Abhishek Nagori
Resolution Professional for M/s Innovative Tyres and Tubes Limited
IBBI/IPA-001/IP-P00020/2016-2017/10044

Date: 6th July 2023
Place: Vadodara

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Innovative Tyres and Tubes Limited

Report on the Audit of the Annual Financial Results

Qualified Opinion

We have audited the accompanying annual financial results of Innovative Tyres and Tubes Limited ("the Company") for the year ended 31st March, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in basis for Qualified Opinion section of our report, the aforesaid Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of net loss and other financial information of the Company for the year ended 31st March, 2023.

Basis for Qualified Opinion

- (a) As stated in Note 2 to the Statement, RP has taken charge of the affairs of the Company on 28 March, 2022 and that he is not liable or responsible for any actions and regarding the information pertaining to the period prior to 28 March, 2022 and has relied upon the explanations, clarifications, certifications, representations and statements made by the existing officials of the Company, who were also part of the Company prior to the appointment of the RP.
- (b) Company is under Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency and Bankruptcy Code, 2016. Resolution professional has received claims of creditors amounting to Rs.13,216/-lacs as per CIRP, and of which Rs. 13,121 Lacs-(secured portion is Rs.3,915/-lacs and unsecured portion is of Rs.9,206/-lacs) have been accepted by RP as of 11th October, 2022. However, the company has not made any provision for the additional liabilities admitted and accepted through CIRP process.
- (c) The company is under Insolvency Process, the interest of the financial creditors is accrued but not booked into books of accounts as the said financial creditors is under moratorium period due to CIRP process. However, the amount of interest is not quantifiable.
- (d) We draw attention to the Note 6 of the statement with respect to assessment of impairment of Property, Plant & Equipment, based on internal evidences and in accordance to AS 28 "Impairment of Asset", the company is required to determine impairment losses in respect of Property Plant and Equipment as per the methodology prescribed under the said Standard. The management has recognized impairment loss of Rs 4915.41 Lacs on the basis of independent valuation reports. However, since the future projects

has not drawn by Company as required to compute "Value in Use" as per AS 28, the financial impact of impairment loss to be provided in annual financial results is presently not ascertainable.

- (e) The company has not appointed internal auditor as required under Section 138 of The Companies Act, 2013.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Resolution Professional (RP), Management's and Board of Directors' Responsibilities for the Annual Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Resolution Professional ("RP") of the Company, Mr. Abhishek Nagori, appointed by the Committee of Creditors ("CoC") pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad bench ("NCLT"), with whom the management of the affairs of the Company and the powers of the Board of Directors of the Company are now vested after the commencement of CIRP w.e.f. 28 March, 2022 under the provisions of Insolvency & Bankruptcy Code, 2016 ("IBC") are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other financial information of the Company in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The RP, the Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

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

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

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

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

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

HARIBHAKTI & CO. LLP

Chartered Accountants

Other Matter

- a) The Statement includes the results for the half-year ended March 31, 2023, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to first half-year of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Yash Bhatt

Partner

Membership No. 117745

UDIN: 23117745BGYEKM9781

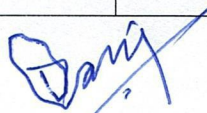
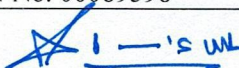
Place: Vadodara

Date: July 6, 2023

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted
along with Annual Audited Financial Results**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sr. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Rs. In Lacs Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	186.83	186.83
	2	Total Expenditure	6,327.67	6,327.67
	3	Net Profit/(Loss)	(5,293.65)	(5,293.65)
	4	Earnings Per Share	(29.42)	(29.42)
	5	Total Assets	3,603.49	3,603.49
	6	Total Liabilities	8,025.64	8,025.64
	7	Net Worth	(4,422.15)	(4,422.15)
	8	Any other financial item(s) (as felt appropriate by the management)	--	--
II	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	(a) As stated in Note 2 to the Statement, RP has taken charge of the affairs of the Company on 28 March, 2022 and that he is not liable or responsible for any actions and regarding the information pertaining to the period prior to 28 March, 2022 and has relied upon the explanations, clarifications, certifications, representations and statements made by the existing officials of the Company, who were also part of the Company prior to the appointment of the RP. (b) Company is under Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency and Bankruptcy Code, 2016. Resolution professional has received claims of creditors amounting to Rs.13,216/-lacs as per CIRP, and of which Rs. 13,121 Lacs-(secured portion is Rs.3,915/-lacs and unsecured portion is of Rs.9,206/-lacs) have been accepted by RP as of 11th October, 2022. However, the company has not made any provision for the additional liabilities admitted and accepted through CIRP process. (c) The company is under Insolvency Process, the interest of the financial creditors is accrued but not booked into books of accounts as the said financial creditors is under moratorium period due to CIRP process. However, the amount of interest is not quantifiable. (d) We draw attention to the Note 6 of the statement with respect to assessment of impairment of Property, Plant & Equipment, based on internal evidences and in accordance to AS 28 "Impairment of Asset", the company is required to determine impairment losses in respect of Property Plant	

		and Equipment as per the methodology prescribed under the said Standard. The management has recognized impairment loss of Rs 4915.41 Lacs on the basis of independent valuation reports. However, since the future projects has not drawn by Company as required to compute "Value in Use" as per AS 28, the financial impact of impairment loss to be provided in annual financial results is presently not ascertainable. (e) The company has not appointed internal auditor as required under Section 138 of The Companies Act, 2013.
		<u>Company management informed that:</u> An application was filed for the initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against Innovative Tyres & Tubes Limited ("the Company") before the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), with a prayer to commence the CIRP. The Hon'ble NCLT vide its order dated 28th March 2022 admitted the said application for initiation of CIRP against the Company. Further, the Hon'ble NCLT gave orders for the appointment of Mr. Abhishek Nagori as the Interim Resolution Professional ("IRP") to perform all the functions as per the IBC and that the management of the Company shall vest in the IRP. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the CIRP under the IBC, or until the Hon'ble NCLT approves the resolution plan or passes an order for liquidation of the company, whichever is earlier. Further, In the ongoing CIRP of the Corporate Debtor, the Resolution Professional (RP) with the approval of Committee of Creditors (CoC) re-invited the Expression of Interest (EOI) in Form G on 31.10.2022 from the Potential Resolution Applicants (PRAs) to submit the Resolution Plan. Thereafter, the RP has received Resolution Plans from the Resolution Applicants. Subsequently, the CoC has approved the Resolution Plan submitted by Resolution Applicant in the 12th meeting held on 31.12.2022 and the said Resolution Plan has also been submitted to the honourable NCLT for approval. The order of the honourable NCLT for approval of Resolution Plan is awaited. The relevant details and explanations are given in Financial Result, Financial Statements and Notes. Also, after the approval of Resolution Plan, and implementation fo Approved Resolution Plan, the Financial Statements will be re-stated accordingly.
	b.	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
		Qualified

	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive.
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Impact is not ascertainable as the reasons mentioned in the auditor's report itself.
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i.	Management's estimation on the impact of audit qualification	Impact is not ascertainable as the Company is under IBC and CIRP Process initiated.
	ii	If management is unable to estimate the impact, reasons for the same	Impact is not ascertainable as the Company is under IBC and CIRP Process initiated.
	iii	Auditors' Comments on (i) or (ii) above:	Refer Basis of qualified opinion in audit report read with relevant notes in the financial results, the same is self-explanatory
III	Signatories		
 Mukesh G Desai Director DIN No. 00089598		 YASH NARENDRAKUMAR BHATT For Haribhakti & Co LLP. Chartered Accountants FRN: 103523W/W100048	Digitally signed by YASH NARENDRAKUMAR BHATT Date: 2023.07.06 21:09:54 +05'30'
 Mr. Abhishek Nagori Resolution Professional In the matter of innovative Tyres and Tubes Limited IBBI Reg. No. IBBI/IPA-001/IP-P00020/2016-2017/10044			
Place: Vadodara Dated: 06-07-2023		Place: Vadodara Dated: 06-07-2023	