

13	Name of listed entities in which the Director holds Membership of Committees of the Board	Not Applicable	Not Applicable	Not Applicable
14	Name of listed entities in which the Director has resigned in the past three years	Not Applicable	Not Applicable	Not Applicable
15	Terms and conditions of appointment	Appointed for period of five years commencing from November 6, 2023 to November 5, 2028 (both days inclusive) and not liable to retire by rotation.	Appointed for period of five years commencing from July 25, 2024 to July 24, 2029 (both days inclusive) and not liable to retire by rotation.	For the period of 3 (Three) years from 1st September, 2023 to August 31, 2026, who shall be liable to retire by rotation.
16	Details of remuneration sought to be paid	NA	NA	In the absence of adequate profit to pay minimum remuneration as per Schedule V of Companies Act, 2013
17	Details of the remuneration last drawn	Such remuneration as per the provisions of Section 188 read with Schedule V of the Companies Act, 2013	Such remuneration as per the provisions of Section 188 read with Schedule V of the Companies Act, 2013	Rs. 4,00,000 per month In the absence of adequate profit to pay minimum remuneration as per Schedule V of Companies Act, 2013
18	Shareholding in the Company	NA	NA	15,23,087
19	Number of meetings of the Board Attended during the year	2	5	5

By order of the Board of Directors  
For **Sudal Industries Limited**

**Sudarshan Chokhani**  
**Managing Director**  
**DIN: 00243355**

**Place: Mumbai**

**Date: November 14, 2024**



# Directors Report

**To  
The Members,  
Sudal Industries Limited**

Your Directors' present the Forty Fifth (45<sup>th</sup>) Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2024.

## I. FINANCIAL RESULTS

The Company's performance during the year ended 31<sup>st</sup> March, 2017 as compared to the previous financial year, is summarized below:

<b>Particulars</b>	<b>For the financial year ended 31st March, 2024</b>	<b>For the financial year ended 31st March, 2023</b>
<b>Total Revenue</b>	<b>14,419.49</b>	<b>16,170.72</b>
Earnings before interest, depreciation and tax	<b>735.57</b>	<b>-467.47</b>
Less: Interest and Finance Charges	915.57	2,382.96
Less: Depreciation	179.41	239.24
<b>Profit/(Loss) Before Exceptional Item and Taxation</b>	<b>-359.41</b>	<b>-3,089.66</b>
Exceptional Item	<b>12540.97</b>	<b>-248.16</b>
Less: Provisions for Current Tax	0	0
Less: Provision for Deferred Tax	0	0
Less :Provision for tax for earlier year	63.91	0
<b>Profit/(Loss) after Tax</b>	<b>12117.66</b>	<b>-3337.82</b>
<b>Other comprehensive income</b>	<b>-1.00</b>	<b>10.32</b>
<b>Total comprehensive income for the year</b>	<b>12118.66</b>	<b>-3327.51</b>

### OPERATIONS AND RESULTS:

During the year under review, the revenue from operation was lower both in terms of value and quantum due to uncertainty in frequent and high price velocity. During the year under review, the NCLT has approved the company's Base Resolution Plan vide their order dated 10/08/2023.. The Company in accordance with the order of said bench, had raised the Rs20.00 Cr through ICD from a private NBFC, issued 10 lakhs Shares of rs10.00 each to Promoters (Rs1.00 Cr) and arranged the balance of Rs.1.42 Cr from out of their own resources.

As result of such acceptance of resolution plan, the Company has written back Rs12540.97 lacs towards waiver of Interest and principal amount and thereby the final Net profit after tax for earlier year was Rs. 12118.66 lakhs and even the Net worth of Company has become positive. Jaldhara Properties & Trading Pvt Ltd, has filed an appeal before National Company law Appellate tribunal (NCLAT) for reversal of base resolution plan approved.

There was no change in the nature of business during the year under review.

### DIVIDEND:

Considering the operational loss in the current Ffinancial Year, the Board of Directors have not recommended any dividend for the Ffinancial Year under review.

**TRANSFER TO RESERVES:**

In view of Profit earned after write back of liability for earlier years , the Board of Directors have not recommended transfer of any amount to reserves.

**REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

During the year under review, the Company did not have any subsidiary, associate and joint venture company. DEPOSITS: The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**DISCLOSURES UNDER SECTION 134 (3) (i) OF THE COMPANIES ACT, 2013:**

During the year under review, no material changes and commitments have occurred between the end of the Financial Year of the Company and date of this report which could affect the Company's financial position.

**INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No significant or material orders passed by Regulators, courts or tribunals which could affect the operations of the Company.

**PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES:**

The details of material transactions / contracts / arrangements entered by the Company with related party / parties as defined under the provisions of Section 2 (76) of the Companies Act, 2013, during the Financial Year under review, are furnished in Annexure - I and forms part of this Report.

**PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

During the year under review, there were no loans, guarantees given and investments made and securities provided on behalf of the others.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT:**

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is attached and marked as Annexure - II, forms part of this Report.

**MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL: BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Mr. Sudarshan Chokhani (DIN: 00243355), being longest in the office is liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013, at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Necessary proposal for his appointment has been included in the Notice of the ensuing Annual General Meeting of the Company.



To fill the casual vacancy caused by the resignation of Ms. Neha Dhuru (DIN: 08206406), Independent Director resigned w.e.f. from May 2, 2023, due to her personal reasons, pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, subject to approval of members, appointed of Ms. Madhuri Ahire : (10338913) as the Independent Director of the Company, for a period of five years with effect from November 06, 2023 to November 05, 2028. Necessary approval of the Members of the Company will be obtained in the ensuing Annual General Meeting.

Except as above there were no changes in Board of Directors and Key Managerial Personnel of the Company.

#### **DECLARATIONS BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013, confirming their independence vis-à-vis the Company. In the opinion of the Board, each of the Independent Director possess requisite integrity, expertise, and experience for acting as an Independent Director of the Company. All the Independent Directors who are required to undertake the online proficiency self-assessment test as contemplated under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, have complied with the same.

#### **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

##### **a. BOARD MEETINGS:**

The Board of Directors met five (5) times during the Financial Year ended March 31, 2024, in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The dates on which the Board of Directors met during the Financial Year under review are as under:

- May 26, 2023
- August 14, 2023
- August 23, 2023
- November 06, 2023
- February 12, 2024

The time interval between two Board meetings did not exceed the maximum permissible limit prescribed under the Act and applicable laws.

##### **b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2024 the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the Financial Year ended March 31, 2024 and of the loss before exceptional Item of the Company for that year;
- proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- the internal financial controls laid down have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**c. NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee of Directors constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The composition of the said Committee as on March 31, 2024 was as under:

Sr. No.	Particulars	Members
1	Mr. Jal Thanawala	Non-Executive Independent Director (Chairman)
2	Mr. Lalit Maharshi	Non-Executive Independent Director (Member)
3	Mr. Shyantanu S. Chokhani	Non -Executive Director (Member)

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under:

- Minimum Qualification
- Positive Attributes
- Independence
- Experience

The Policy is also available on the Company's web-site i.e. [www.sudal.co.in](http://www.sudal.co.in).

The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

**d. AUDIT COMMITTEE:**

The Audit Committee of Directors constituted under the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, confirms the compliance of the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

The Audit Committee as on March 31, 2024 comprised of:

Sr. No.	Particulars	Members
1	Mr. Lalit Maharshi	Non-Executive Independent Director (Chairman)
2	Mr. Jal Thanawala	Non-Executive Independent Director (Member)
3	Mr. Sudarshan Chokhani	Executive Director (Member)

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Audit Committee.

The Company Secretary acts as the Secretary of the Audit Committee.



**e. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company constituted the Stakeholder's Relationship Committee, comprising of the following members as on March 31, 2024:

Sr. No.	Particulars	Members
1	Mr Sudarshan S Chokhani	Executive Director (Chairman)
2	Mr. Jal Thanawala	Non-Executive Independent Director (Member)
3	Mr. Lalit Maharshi	Non-Executive Independent Director (Member).

\* Ms. Neha Dhuru was resigned from independent Director of the Company w.e.f. May 2, 2023.

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

**f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The Board of Directors of the Company has, pursuant to the provisions of Section 178 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral, and legal conduct of business operations.

**BUSINESS RISK MANAGEMENT:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations, or circumstances, which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual / strategic business plans and in periodic management reviews.

**ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually, as well as the evaluation of all Committees. The manner in which evaluation has been carried out is detailed in Annexure - III, which forms part of this Report.

**INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws, and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year under review has been furnished and marked as Annexure - IV.

**AUDITORS AND REPORTS**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2024:**

The observations made by the Statutory Auditors in their report for the Financial Year ended March 31, 2024 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. RE-APPOINTMENT OF STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Bagaria & Co. LLP, Chartered Accountants (FRN.: 113447W/W-100019), the Statutory Auditors of the Company, were re-appointed for period of 5 (Five) years, to hold office from the conclusion of 43rd (Forty Third) Annual General Meeting the conclusion of the 48th (Forty Eighth) Annual General Meeting of the Company.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company.

**c. FRAUD REPORTING:**

During the year under review, there were no instances of material fraud falling under Rule 13 (1) of the Companies (Audit and Auditors) Rule, 2014, reported by the Statutory Auditors of the Company during the course of the Audit conducted.

**d. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED MARCH 31, 2024:**

In terms of the provisions of Section 204 read with Section 134 (3) of the Companies Act, 2013 and the rules made thereunder (including any statutory enactments thereof), the Board had appointed M/s. Rathi and Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the Financial Year 2023-24. Secretarial Audit Report issued by M/s Rathi and Associates in Form MR-3 for the Financial Year 2023-24 is appended as Annexure - V to this Report.

The observations made by the Secretarial Auditors in their report for the Financial Year ended March 31, 2024 read with the explanatory notes therein are as follows:

- a) Pursuant to Regulation 46 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company's website is not fully updated with the information required to be disseminated.

Management reply

The web site is complied with and updated

**e. COST AUDITORS:**

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditors for auditing the cost and other relevant records of the Company.

In accordance with the said provisions and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated May 30, 2024 re-appointed M/s. Hemant Shah & Associates, Cost Accountants (Firm Reg. No. 000394), as the Cost Auditors of the Company for the Financial Year 2024-25 on a remuneration of Rs. 1,00,000/- (Rupees One Lakhs Only) for the applicable Product Groups. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in the General Meeting for their ratification. Accordingly, a Resolution seeking members' ratification for remuneration payable to M/s. Hemant Shah & Associates, Cost Auditors is included in the Notice of the ensuing Annual General Meeting.

**OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the Financial Year ended March 31, 2023 made under the provisions of Section 92 (3) of the Act is available on the website of the Company at [www.sudal.co.in](http://www.sudal.co.in) under the section "Annual Return 2023-24".

**b. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social responsibility policy) Rules, 2014, were not applicable to your Company during the Financial Year 2022-23 and accordingly compliances with respect to the same were not applicable to the Company during the year under review.

**c. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. No case pertaining to sexual harassment at workplace has been reported to Company during the Financial Year 2022-23.

**d. GENERAL:**

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability on these items during the year under review:

- not issued any shares with differential rights and hence no information as per provisions of Section 43 (a) (ii) of the Act read with Rule 4 (4) of the Companies (Share Capital and Debenture) Rules, 2014 is not furnished.
- not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54 (1) (d) of the Act read with Rule 8 (13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62 (1) (b) of the Act read with Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67 (3) of the Act read with Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company is in compliance with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

**SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS:**

Subject to the applicable provisions of the Companies Act, 2013, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

**INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, the Company had filed an application for initiating Pre-packaged Insolvency Resolution Process as per Section 54A (2) (g) of Insolvency and Bankruptcy Code, 2016". The application provided for mode and methods for settlement of dues of each of the financial creditors. Further, the said application has been admitted by the NCLT and on August 10, 2023, the said Authority approved the Prepackaged Plan.

**ACKNOWLEDGMENTS AND APPRECIATION:**

The Board of Directors take this opportunity to thanks the Customers, Shareholders, Suppliers, bankers, Business partners/Associates, Financial Institutions and State Governments for their consistent support and encouragement to the Company.

**For & on behalf of the Board of Directors  
of Sudal Industries Limited**

**Sd/-**  
**Sudarshan S Chokhani**  
**Managing Director**  
**DIN: 00243355**

**Sd/-**  
**Mukesh V Ashar**  
**Whole-time Director & Director**  
**DIN: 06929024**

**Date: May 30, 2024**  
**Place: Mumbai**

<b>Sr. No.</b>	<b>Annexure</b>
I	Form AOC- 2
II	Management Discussion and Analysis Report
III	Statement on manner of Evaluation of Board Of Directors, Committee and Individual Directors
IV	Disclosure for ratio of remuneration of each Director to the Median Employee's Remuneration and other details as per Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014
V	Form No. MR-3
VI	Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

**ANNEXURE I****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of material contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**During the year under review all the material contracts/arrangements/ transactions were on arm's length basis.**

**1. Details of material contracts or arrangement or transactions at arm's length basis:**

- Rent at the rate of Rs. 275000 PM for use of office under leave & license basis owned by M/s Sudarshan Chokhani & Co valid up to 31/08/2024

**Registered Office**

A-5 MIDC Ambad Industrial Area  
Mumbai Nashi Highway,  
Nashik - 422010

**For and behalf of the Board of Directors of  
Sudal Industries Limited**

**Date: May 30, 2024**

**Place: Mumbai**

**Sudarshan Chokhani**

**Managing Director**

**DIN: 00243355**

**Mukesh V Ashar**

**CFO & Director**

**DIN: 06929024**

# MANAGEMENT AND DISCUSSION ANALYSIS

## Global economic overview:

Global growth has slight acceleration for advanced economies where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025, will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percent is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The Global Aluminum Extruded Products Market is anticipated to rise at a considerable rate during the forecast period, between 2022 and 2031. In 2021, the market is growing at a steady rate and with the rising adoption of strategies by key players; the market is expected to rise over the projected horizon. According to the latest research, the global Aluminum Extruded Products market size was valued at USD 83.90 billion in 2023 and is expected to expand at a CAGR of 8.2% percent during the forecast period, reaching USD 90 billion by 2030.

Aluminum extrusion is a technique used to transform aluminum alloy into objects with a definitive cross sectional profile for a wide range of uses. The extrusion process makes the most of aluminum's unique combination of physical characteristics. Its malleability allows it to be easily machined and cast, and yet aluminum is one third the density and stiffness of steel so the resulting products offer strength and stability, particularly when alloyed with other metals. The market for aluminum-extruded products is growing due to increase in demand from end-use industries such as construction, machinery & equipment, automotive, and mass transport. The growth of this market is fuelled by the growth of its end-use industries. Along with the same, the rise in demand for sustainable & recyclable aluminum material has fuelled the market for aluminum-extruded products. Emerging economies such as India, South Africa, Brazil, and oil-centric GCC (Gulf Cooperation Countries) possess a great potential for the aluminum-extruded products market. Based on end-users, the automotive sector is expected to grow rapidly with the boom in the automotive industry and the increase in the use of Aluminum Extruded products by the automotive manufacturers. The increasing concern of the automobile users for greenhouse gas emissions is also contributing to the growth of the market. The growth of automotive sector in the Aluminum Extruded Products is also expected to be due to factors such as increasing emphasis on the lightweight cars and the introduction of various government initiatives for encouragement of foreign direct investments. China presently accounts for more 40 per cent of the global market share. During the forecast period it is expected to grow at a rate of 8 per cent. The increase in industrial consumption of extruded aluminium will drive the market in China. India is a fledgling market for aluminium extrusions. Current per capita consumption of aluminium extrusion here is amongst the lowest in the world. However, the country holds immense potential. India's infrastructure is undergoing a major overhaul. Smart cities are coming up; metro railway networks are being built across Tier 1 cities. In addition, with the recent onslaughts of e-commerce, preferences of contemporary urban Indians are changing day in and day out. To keep pace with these changing socio-economic trends, core and ancillary industries such as aluminium extrusions are bringing out solutions that are global in their concepts, yet perfectly fitted for the local usage. It seems Indian aluminium makers are finally repositioning themselves in the global value chain. This was much needed given the cyclicity of aluminium business, capacity built-up from time to time, and price volatility.

With the Central government betting big on 'Make in India', more aluminium extrusion manufacturers and suppliers are expected come on stream with the vision to grow through planned investment and strategic expansion. Aluminium extrusion market worldwide is highly fragmented with only a handful of big players dominating the spectrum. With demand for aluminium extrusion products growing stronger, more manufacturers and suppliers are expected to join the league. For that to happen a more conducive international trade environment is needed where there will be fair competition and faster adoption of technology across the borders.

This report elaborates on the market size, market characteristics, and market growth of the Aluminum Extruded Products industry between the years 2018 to 2028, and breaks down according to the product type, downstream application, and consumption area of Aluminum Extruded Products. The report also introduces players in the industry from the perspective of the value chain and looks into the leading companies.



## COVID IMPACT

There is nothing new to discuss the impact of the Covid-19 pandemic, as nearly everyone in the world has been adversely affected by the pandemic. The aluminum extrusion market has witnessed a slight decline with the decline in the demand for automotive and construction needs, as the entire industry was stationed at a point. According to a report, the global construction market saw a sharp decline in the said period, which directly affected the progress of the aluminum extrusion market. Along with this, the extended lockdown across the globe disrupted the global supply chain, which is the reason for the delays in imports and exports, causing huge production and demand & supply gap. Not only this, but the increased use of automation, artificial intelligence, and robotics are proving to be the major factor restricting the labor force and, in turn, making such extrusion processes take a break.

## UKRAINE-RUSSIAN WAR IMPACT

The war in Ukraine has not only affected the aluminum market but also various products in which aluminum is a vital component, from beverage and food cans to aerospace applications. These various applications are expanding and driving up aluminum demand year after year. As a result, the global aluminum market size has grown from 150 billion USD in 2020 to 152.3 billion USD in 2021 and is expected to reach 160.7 billion USD in 2022. Due to the anticipated growing demand, by 2027, the global aluminum market value is projected to reach 210 billion USD.

The war pushed the price of aluminum to unprecedented levels. For example, the aluminum price on the LME (London Metals Exchange) with the three-month contract peaked at a record \$4,000 a ton in early March 2022, compared to \$3,224 a ton in February monthly average of the same year. Market prices have recently declined as price hikes discourage demand, but even in May 2022, aluminum trades at the \$3,300 level, which is 40% higher than the previous year.

There are multiple factors that have impacted aluminum prices. Firstly, and most importantly, oil price spikes had a detrimental effect not only on aluminum, but on all commodities. The Brent oil price was marked at around \$80 per barrel at the beginning of 2022, but the price jumped from around \$96 per barrel on February 14th, 2022, to around \$123 per barrel on March 7th, 2022. More than four months after the start of military operations, the Brent price remains around \$120 (June 2022). Secondly, supply chain disruptions due to the Russian invasion increased the cost of shipping operations.

## ALUMINUM MARKET - GROWTH, TRENDS, COVID-19 IMPACT, AND FORECASTS (2022 - 2027)

The Aluminium Market is Segmented by Processing Type (Castings, Extrusions, Forgings, Rods and Bars, Sheets and Plates, and Other Processing Types (including Pigments and Powders)), End-user Industry (Automotive, Aerospace and Defence, Building and Construction, Electrical and Electronics, Packaging, Industrial, and Other End-user Industries), and Geography (Asia-Pacific, North America, Europe, South America, and Middle-East and Africa).

### Market Overview:

The global aluminum extrusion market size was valued at USD 83.90 billion in 2023 and is expected to grow at CAGR of 8.2% from 2024 to 2030. Aluminum extrusion is a process of shaping the aluminum with the help of an opening shaped in the die or mould as per the required end product. The said extrusion process applies a strong pressure on the aluminum to obtain the required sections through the directional deformation from an extrusion device.

Once the extrusion process is completed, the extruded product is kept to cool down and processed forward to make it fully straight. Various kinds of products can be produced with the help of this extrusion technique, irrespective of the shape and size. According to the automotive and transportation sector, aluminum content is rising in internal combustion and electric vehicles (EVs), which is expected to spur market growth over the forecast period. The regulatory requirements regarding the environmental impact of vehicles are putting increasing pressure on automakers to comply.

### Key Market Trends:

When segmented, according to the regions, the global aluminum extrusion market share is primarily divided into four major regions, namely - North America, Europe, Asia-Pacific, and Middle-East & Africa.

The Asia-Pacific region is the most dominant region of all, with an estimated market value of USD 41,466 million in 2030 at a CAGR of 7%, from the early figures of 2021 that stood at USD 22,555 million. The Asia-Pacific region is the most dominant, with the presence of major emerging economies and the overall growth ratio of the region. The rapid

industrial revolution in the said region has led to an increase in demand for aluminum extrusion products, one of the most utilized products in the industry nowadays. Europe is the second dominant region in the market of aluminum extrusion, accounting for USD 4,687 million in 2021 and expected to reach USD 8,402 million by 2030 at a CAGR of 6.7%. Europe being the key industrial region globally has varieties of industries operating in the region, with which the automotive is the major industry. So, it is pretty clear why the aluminum extrusion market growth has a significant market value in the European region.

The North American region is listed third with respect to the market value. North America accounted for a market share of USD 4,476 million in 2021 and is expected to grow to USD 6,944 million in 2030 at a CAGR of 5%. Middle-East & Africa and Latin America had a market value of USD 3375 million in 2021, and are expected to grow at 5372 million in 2030 at a CAGR of 5.3%. Looking at the overall regional segmentation of the aluminum extrusion market, it is clear that the AsiaPacific region is dominating the world with major industries operating from the region, which is quite a good sign for the entire industry and aluminum extrusion market as well. The aluminum extrusion market share is segmented by product and end-use. Segmentation by product includes Mill-Finished, Anodized and Powder Coated. The mill-finished products have the major market share with revenue generation of USD 50,600 million in 2021 and reach USD 82628 million by 2030 at a CAGR of 6%. The mill-finished aluminum products are the products that are extruded without any further surface treatments and are natural aluminum products in silver color. The mill-finished aluminum has a thin layer of oxidized film that can be removed easily. However, the quick oxidation process of the mill-finished surfaces forms white residue and pits on the surface. The anodized products segment accounted for a market value of USD 25,365 million in 2021 and reached a valuation of USD 47,822 million in 2030 at a CAGR of 7%. Anodizing is an electro-chemical process that includes immersing the extruded product in an acid electrolyte bath with an electric current allowed to pass through it. Anodizing enhances the natural oxide surface layer that increases the durability of the extruded product, and the layer formed by anodizing is hard and corrosion-resistant. The powder-coated segment has a substantial market value which stood at USD 10,572 million in 2021 and is expected to reach USD 16,260 million by 2030 at a CAGR of 5%. While powder coating the extruded product, the aluminum surface is pre-treated, then the specialized powder is applied over it to heat it further, and at last, the product is left to cool down. This process allows a greater strength to the extruded aluminum product and increases its durability with minimal chances of defects. By end-user, the global aluminum extrusion market is classified into building and constructions, automotive & transportation, and electrical and electronics. The building and construction segment is the dominant segment, with USD 52,155 million in 2021 and estimated to reach USD 85,167 million in 2030 at a CAGR of 6%. Aluminum extrusion is widely used in building and construction sectors due to its low weight and high strength-to-weight ratio. Aluminum weighs about one-third of the total weight of copper or steel. Due to the high strength and weight ratio, aluminum extruded products are widely used in building structure foundations. The automotive and transportation segment is the second most dominant segment in the said category that accounting for USD 10,818 million in 2021 and is expected to reach USD 20056 million by 2030 at a CAGR of 7%. The aluminum extruded products find their application in automotive and transportation needs as the demand for lightweight automotive components increases. With this, the transportation structures also have a huge demand for lightweight structures for bridges, highways, rails, etc.

The third category of the said segment, which is electrical and electronics, has a substantial market value recorded at USD 9,167 million in 2021 and is growing to USD 16,572 million in 2030 at a CAGR of 7%. Electrical and electronics manufacturing units use small parts used in any electronic devices, which are extruded from aluminum. That is why the said market also has a footprint in the electrical and electronics industry. Indian Aluminium & Aluminium Extrusion Market Outlook The India aluminum extrusion market size reached 982,980.4 Tons in 2022. Looking forward, IMARC Group expects the market to reach 1,288,202.3 Tons by 2028, exhibiting a growth rate (CAGR) of 4.49% during 2023-2028.

Aluminium extrusion is a widely adopted manufacturing process that entails the transformation of aluminium alloy into specific cross-sectional profiles. The procedure involves the utilization of a cylindrical billet of aluminium, which is heated to a pliable state and then forced through a shaped die by a hydraulic press or ram. The result is a uniform, elongated piece with the same profile as the die, commonly used in the production of structural components, window frames, and various industrial applications. Aluminium's lightweight nature, coupled with its remarkable strength and resistance to corrosion, makes it an ideal material for extrusion. The efficiency of this process has led to its broad utilization in multiple sectors, including automotive, construction, electronics, and transportation, representing a critical facet of modern industrial manufacturing. The Indian Aluminium Extrusion market is witnessing substantial growth, buoyed by the expanding construction industry in India, with its rising demand for lightweight and energy-efficient materials.



Additionally, the automotive sector's increasing reliance on lightweight and corrosion-resistant components has fostered the market's expansion. Along with this, the government's push towards infrastructure development and sustainable practices further stimulates growth, aligning with global environmental concerns. In addition, advancements in extrusion technology, enabling more intricate and customized shapes, have unlocked new applications and opportunities within the Indian market. Apart from this, the trend towards the utilization of recycled aluminium, reflecting the global shift towards sustainability, has also positively impacted the market. This, together with the anticipated growth in the electronics and transportation sectors is creating a positive market outlook. Some of the other factors driving the market include rapid industrialization and changing consumer preferences.

### **OPPORTUNITIES AND THREATS**

We are constantly on the lookout for opportunities that knock on our doors, while keeping tab on the likely threats to our business.

#### **Opportunities**

Penetration of motor vehicles in developing economies and growing industrialization in emerging economies provide wider opportunities for the growth of the Aluminium sector.

#### **Threats**

Competition from low cost manufacturers is likely to continue.

### **COMPANY OVERVIEW AND GROWTH STRATEGY**

Improved service, prompt response and wider reach to dealers, distributors and the satisfaction of customers have been our continued endeavour for business development.

### **CAUTIONARY STATEMENT**

Statements forming part of the Management Discussion and Analysis covered in this report may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. The Company takes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

#### **Registered Office**

A-5 MIDC Ambad Industrial Area  
Mumbai Nashi Highway,  
Nashik - 422010

**For and behalf of the Board of Directors of  
Sudal Industries Limited**

**Date: May 30, 2024**

**Place: Mumbai**

**Sudarshan Chokhani**

**Managing Director**

**DIN: 00243355**

**Mukesh V Ashar**

**CFO & Director**

**DIN: 06929024**

**ANNEXURE - III****STATEMENT ON MANNER OF EVALUATION OF BOARD OF DIRECTORS, COMMITTEE AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013, the Board carried out the annual performance evaluation of its own performance, all the directors individually, as well as the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Share Transfer Committees of the Board. A Policy named as "Nomination, Remuneration and Performance Evaluation Policy" with structured questionnaire was prepared after taking into consideration inputs received from directors. (Policy is uploaded on the website of the Company [www.sudal.co.in](http://www.sudal.co.in)).

A separate exercise was carried out to evaluate the performance of individual directors on the parameters set out in the policy. The performance evaluation of Independent Directors was carried out by the entire Board based on parameters such as Qualification, skills and knowledge, leadership qualities, compliance with ethical standards and code of conduct of the Company etc.

The independent directors at a separate meeting carried out the performance evaluation of Non-Executive Directors, Board as a whole and the Audit, Nomination & Remuneration, Stakeholders Relationship and Share Transfer Committees of the Board. The quality, quantity, and timeliness of flow of information between the Company management and Board were also evaluated. Performance of Non - Executive Directors was evaluated on parameters such as Qualification, leadership skills, steps initiated towards business development, steps initiated towards branding of the Company, exercising duties diligently, etc.

Performance of the Board as a whole was evaluated on parameters such as composition with right mix of skills and knowledge, whether the board receives regular updates on production, marketing and financials and takes all necessary steps to ensure that the operations of the organization are sound and reviews the organizations performance in carrying out a stated mission on a regular basis, whether Board Meeting are conducted in a manner that encourages open communication, meaningful discussions and timely resolution of issues, members of the Board meets applicable independence requirement, etc.

Performance of the Committees of the Board were evaluated on parameters such as efficiency and effectiveness of the systems in the Company, consideration of matters and concerns raised by the members in the meeting, committee's accomplishments with respect to performance objectives, redressal of complaints and grievances, co-ordination with other Committees and Board, adherence to the Company's policies and internal procedures etc. the Board of Directors have expressed their satisfaction with the evaluation process.

**Registered Office**

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Mumbai Nashi Highway,  
Nashik - 422010

**For and behalf of the Board of Directors of  
Sudal Industries Limited**

**Date: May 30, 2024**

**Place: Mumbai**

**Sudarshan Chokhani  
Managing Director  
DIN: 00243355**

**Mukesh V Ashar  
CFO & Director  
DIN: 06929024**

**ANNEXURE - IV****DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014****I. Median Remuneration: Rs. 2,20,000 Per Month**

- II. Ratio of the remuneration of each Director & KMP to the median remuneration of the Employees of the Company for the Financial Year 2023-24, the percentage increase in remuneration of Director /KMP during the Financial Year 2023-24.

<b>Sr. No.</b>	<b>Name of Director /KMP</b>	<b>Designation</b>	<b>Ratio of Remuneration of each Director to median remuneration of Employees</b>	<b>Percentage Increase in Remuneration</b>
1.	Mr. Sudarshan S Chokhani	Managing Director		
2.	Mr. Mukesh V Ashar	Whole-time Director and CFO		
3.	Mr. Shyantanu Sudarshan Chokhani	Non-executive Director	NA (Non Executive Director not Drawing salary)	NA
4.	Mr. Jal Thanawala	Independent Director	NA Independent Director entitled for Meeting fees for attending Board and Committee	NA
5.	Ms. Neha Digvijay Dhuru	Independent Director	NA Independent Director entitled for Meeting fees for attending Board and Committee	NA
6.	Mr. Lalit Maharshi	Independent Director	NA Independent Director entitled for Meeting fees for attending Board and Committee	NA
7.	Mr. Prasanna Vitthal Ramdas	Company Secretary		
8.	Ms. Madhuri Ahire	Independent Director	NA Independent Director entitled for Meeting fees for attending	NA

- For the purpose of Calculation of median only remuneration pertaining to the employees being part of the Company for the entire Financial Year were considered

**Note:**

- The Non-Executive Directors of the Company are entitled to receive sitting fees of Rs. 3000 for attending each Board Meeting He is not appointed on any committee meeting no remuneration is payable.
- Employee for the above purpose includes all employees excluding employees covered under collective bargaining.

- III. The percentage increase in the median remuneration of employees in the Financial Year:  
During the F.Y. 2023-24 there was no increase in the median remuneration of employees.
- IV. The Company has 128 permanent Employees on the rolls of Company as on March 31, 2024.
- V. Increase in remuneration depends upon factors like Company performance, benchmarking, talent availability and turnover apart from the individual performance of employees
- VI. The increase in remuneration of the Key Managerial Personnel is decided on the parameters set out in the Nomination, Remuneration and Performance Evaluation Policy of the Company, which is directly linked to individual performances as well as the performance of the Business.
- VII. The market capitalization of the Company as on March 31, 2024 was Rs 438 Lakhs as compared to Rs 482 lakhs as on March 31, 2023. The price-earning ratio of the Company was-0.39 as at March 31, 2024 and was (-0.35) at March 31, 2023. The closing share price of the Company at BSE limited as on March 31, 2024 being Rs. 6.09 per equity share of face value of 10/- each.
- VIII. There is increase in the salaries of employees/directors' in the Financial Year by 10% prorata for the period of 8 Months
- IX. The key parameters for variable component of remuneration availed by the directors: Nil
- X. None of the employee received remuneration in excess of the highest paid Director.

It is hereby affirmed that the remuneration for the year is as per the remuneration policy of the Company:

**Registered Office**

A-5 MIDC Ambad Industrial Area  
Mumbai Nashi Highway,  
Nashik - 422010

**For and behalf of the Board of Directors of  
Sudal Industries Limited**

**Date: May 30, 2024**

**Place: Mumbai**

**Sudarshan Chokhani**  
**Managing Director**  
**DIN: 00243355**

**Mukesh V Ashar**  
**CFO & Director**  
**DIN: 06929024**



## Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members,  
**Sudal Industries Limited**  
A-5, M.I.D.C. Ambad Industrial Area,  
Mumbai-Nashik Highway,  
Nashik - 422010

We have conducted Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sudal Industries Limited** (hereinafter called ("the Company")). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2024, according to the provisions of:
  - (i) The Companies Act, 2013 ("**the Act**") and the rules made there under to the extent applicable;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable:-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (v) Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:
    - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2006 regarding the Companies Act and dealing with client;
    - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
    - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

2. Provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder were not applicable to the Company for the Financial Year under report.
3. We further report that, having regard to the compliance system prevailing in the Company and based on the information provided, the Company has generally complied with other Acts, Laws and Regulations applicable specifically to the Company viz.
  - Industries (Development and Regulation) Act, 1951;
  - Factories Act, 1948;
  - Industrial Disputes Act, 1947;
  - Minimum Wages Act, 1948;
  - Payment of Wages Act, 1936;
  - Sale of Goods Act, 1930;
  - Bombay Shops and Establishment Act, 1948.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the Financial Year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except:

- a) Pursuant to Regulation 46 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company's website was not properly updated with the information required to be disseminated therein;

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There was no change in the composition of the Board of Directors during the period under report.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the following events took place that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove:

- a) The Company had, pursuant to approval of shareholders, sought approval of its creditors for Initiating Pre-Packaged Insolvency Resolution Process of the Company as per Section 54A (2) (g) of Insolvency and Bankruptcy Code, 2016.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH SHAH  
PARTNER  
FCS NO.: 5637  
COP NO.: 2535  
P.R. CERT. NO.: 668/2020  
UDIN: F005637F000483279**

**Date: May 30, 2024  
Place: Mumbai**

**ANNEXURE**

To,

The Members

**Sudal Industries Limited**

A-5, M.I.D.C. Ambad Industrial Area,

Mumbai - Nashik Highway,

Nashik - 422 010

Our report of even date is to be read along with this letter.

- a. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. We have obtained, wherever required, the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH SHAH  
PARTNER  
FCS NO.: 5637  
COP NO.: 2535  
P.R. CERT. NO.: 668/2020  
UDIN: F005637F000483279**

**Date: May 30, 2024**

**Place: Mumbai**

# INDEPENDENT AUDITOR'S REPORT

**To The Members of  
Sudal Industries Limited**

## **Report on the Audit of Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **Sudal Industries Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the *Audit of the Financial Statements* 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by in terms of their report referred to in the other matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Material Uncertainty related to Going Concern**

The Company has been continuously incurring losses over last several years (However, there was net profit of Rs.12,118.66 lakhs after comprehensive income for the year ended March 31, 2024 after write back of Rs.12,540.97 lakhs on settlement pursuant to Hon'ble National Company Law Tribunal Order dated August 10, 2023). The management believes that it is appropriate to prepare these financial statements on a going concern basis in view of the following:

- (a) the Company's Prepackage Insolvency Resolution Plan (PIRP) was approved by Hon'ble NCLT, Mumbai vide its Order dated August 10, 2023;
- (b) expected favourable outcome in the matter of appeal filed before Hon'ble NCLAT by one of the unsecured lender;
- (c) post settlement timely payment of the installments to the lender in compliance with aforesaid NCLT Order ; '
- (d) expected better operational performance also.

Also Refer note 42 of the financial statements for the year ended March 31, 2024

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.