

Limited Review Report

To The Board of Directors of
Sudal Industries Limited

1. We have reviewed the accompanying statement of unaudited financial result of Sudal Industries Limited ('the Company') for the quarter ended December 31, 2020 and year to date results from April 01, 2020 to December 31, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ('Listing Regulations').

The statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on his financial Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India. This standard requires that we have plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. (a) We draw your attention to note no 3 of the financial results with regard to Management's perception of impact of Covid-19 on the Company. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results. Considering the uncertainties, the management will continue to closely monitor any material changes to future economic conditions and does not anticipate any material financial or operational issues in the short term as well as on a long term basis.

(b) Earlier the Lender Bank had already issued notice under SARFAESI Act, 2002 and has now applied to NCLT with the pre accepted resolution plan including for the settlement of over dues. The management expects to arrive at the settlement in due course of time.

Our conclusion is not modified in respect of these matters in para 3 above.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circulars issued from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement



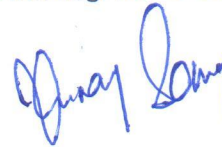
Material Uncertainty related to Going Concern

5. The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. As explained by the management, due to a recessionary trend and slackness in demand by user industries, the Company was not able to utilize the capacity optimally along with price volatility; it was incurring the losses in past few years. In order to boost the economy, the government has declared several revival packages, resulting into spur in demand allowing the Company to step up its capacity utilization.

In accordance with the latest Amendment, 2020 to the insolvency law, the Company as per Note No 4 expects to convince the Lender bank to approach the NCLT with pre accepted resolution plan including the settlement of dues reasonably. The Company is re-negotiating the terms for settlement of over dues with other unsecured lenders and is expected to be settled in due course of time. Accordingly, the management believes that it is appropriate to prepare the financial results on a going concern basis. Therefore, the financial results do not include any adjustments relating to the recoverability and classification of recorded assets and to the amounts of liabilities that might be necessary should the Company be unable to continue its operations as a going concern.

For Bagaria & Co. LLP
Chartered Accountants

Firm Reg. No.: 113447W/W-100019



Vinay Somani
Partner

Membership No.143503

UDIN: 21143503AAAADW1974

Place: Mumbai

Date: February 12, 2021

SUDAL INDUSTRIES LIMITED
CIN:L21541MH1979PLC021541

Registered office : A-5, MIDC, Ambad Industrial Area, Nashik - 422 010.

Corporate office: 26A, Nariman Bhavan , 227 Nariman Point, Mumbai - 400 021.

Statement of Unaudited Financial Results for the Quarter and Nine Months Ended 31.12.2020

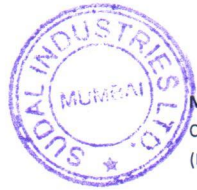
(₹ in Lakhs)

Sl.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income:						
	a) Revenue from operations	2,341.40	2,124.10	2,289.30	5,256.86	7,177.35	9,201.18
	b) Other Income	34.89	-	-	34.89	1.24	-
	Total Income	2,376.29	2,124.10	2,289.30	5,291.75	7,178.58	9,201.18
2	Expenses :						
	a) Cost of materials consumed	1,737.18	1,593.31	1,675.16	3,819.26	5,573.51	7,813.91
	b) Change in Inventories of finished goods, work-in-progress and stock-in-trade	(35.64)	(121.54)	129.75	25.73	118.26	(48.75)
	c) Employee benefits expense	95.97	89.74	96.78	248.59	292.78	361.86
	d) Finance Costs	444.21	443.43	406.24	1,304.89	1,134.83	1,550.93
	e) Depreciation and amortization expense	73.11	72.58	75.89	218.14	227.40	302.67
	f) Other Expenses	335.94	350.83	525.33	832.10	1,189.32	1,569.60
	Total Expenses	2,650.77	2,428.34	2,909.15	6,448.71	8,536.10	11,550.22
3	Profit/(Loss) before exceptional items and tax (1-2)	(274.48)	(304.24)	(619.85)	(1,156.96)	(1,357.51)	(2,349.04)
4	Exceptional Items	-	-	-	-	(341.55)	341.55
5	Profit/(Loss) before tax (3-4)	(274.48)	(304.24)	(619.85)	(1,156.96)	(1,699.07)	(2,690.59)
6	Tax expense	-	-	-	-	-	167.88
7	Net Profit/(Loss) for the period (5-6)	(274.48)	(304.24)	(619.85)	(1,156.96)	(1,699.07)	(2,858.47)
8	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	1.21
	Other Comprehensive Income	-	-	-	-	-	1.21
9	Total comprehensive income for the period (7+8)	(274.48)	(304.24)	(619.85)	(1,156.96)	(1,699.07)	(2,857.26)
10	Paid-up Equity Share Capital (Face Value of ₹ 10 per share)	736.78	736.78	736.78	736.78	736.78	736.78
11	Other equity						(5,364.50)
12	Earning per Share before exceptional items (Basic and diluted) (Rs.)	(3.73)	(4.13)	(8.41)	(15.70)	(18.42)	(34.16)
13	Earning per Share after exceptional items (Basic and diluted) (Rs.)	(3.73)	(4.13)	(8.41)	(15.70)	(23.06)	(38.80)

Notes :

- The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 12, 2021. The statutory auditors of the Company have reviewed the financial results for the quarter and nine months ended December 31, 2020 in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- The operations of the Company relate to only one segment viz. Manufacturing of Aluminium Extrusions and down stream/ value added products.
- The Company's operations for the nine months ended 31 December 2020, have been adversely impacted by the outbreak of COVID-19 pandemic. As the Company's operations majorly fell under the non-essential Category, the Company had shut down its operations from 23rd March 2020 to 17th May 2020. The operations gradually resumed with requisite precautions in later part of June quarter and now in September 2020 quarter, they are back to near normalcy. The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.
- Earlier the Lender Bank had already issued notice under SARFAESI Act, 2002 and has now applied to NCLT with the pre accepted resolution plan including for the settlement of over dues. The management expects to arrive at the settlement in due course of time.
- The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. Due to a recessionary trend and slackness in demand by user industries, the Company was not able to utilize the capacity optimally along with price volatility; it was incurring the losses in past few years. In order to boost the economy, the government has declared and implemented several revival packages, resulting into spur in demand allowing the Company to step up its capacity utilization. In accordance with the latest Amendment, 2020 to the insolvency law, the Company as per Note No 4 expects to convince the lender bank to approach the NCLT with pre accepted resolution plan including the settlement of dues reasonably. The Company is re-negotiating the terms for settlement of over dues with other unsecured lenders and is expected to be settled in due course of time. Accordingly, the management believes that it is appropriate to prepare the financial results on a going concern basis.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.
- The previous periods' figures have been re-grouped/ re-classified wherever required to conform the current period's presentation.

For and on behalf of the Board of Directors



Mukesh V. Ashar
CFO and Director
(DIN : 06929024)

Place: Mumbai

Date: 12th February, 2021