

LIMITED REVIEW REPORT

To The Board of Directors of

Sudal Industries Limited

We have reviewed the accompanying statement of unaudited standalone financial results of **Sudal Industries Limited** ('the Company') for the quarter ended September 30, 2019 and year to date results for the period from April 01, 2019 to September 30, 2019 ("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').

This 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 express a conclusion on the Statement based on our review.

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 Accountants of India. This standard requires that we 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 inquiries 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.

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 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.

The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. The Company's bank has also issued notice under section 13(2) of SARFAESI ACT for recovery of its dues.

As explained by the management, due to a recessionary trend and slackness in demand particularly in the Auto, construction & Infra industries, the Company was not able to utilize the capacity optimally and along with price volatility, it was incurring losses in the past few years. To boost the industry, several revival steps are being taken by the Government and hence the Company expects a spur in the economy and demand which will enable it to increase its capacity utilization and thereby cut losses.



Further, the Company has offered to the banker for One Time Settlement of the dues and is pending acceptance. Accordingly, 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.

Place: Mumbai

Date: November 14, 2019

For Bagaria and Co. LLP

Chartered Accountants

**ICAI Firm Registration No.113447W/W-
100019**


Rahul Bagaria

Partner

Membership No. 145377

UDIN : 19145377AAAADV9849



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 Half Year Ended 30.09.2019

(` in Lakhs)

Sl.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income:						
	a) Revenue from operations	2,396.80	2,491.25	3,301.74	4,888.05	6,184.83	12,413.31
	b) Other Income	(0.00)	1.24	30.00	1.24	190.00	241.62
	Total Income	2,396.80	2,492.49	3,331.74	4,889.29	6,374.83	12,654.93
2	Expenses :						
	a) Cost of materials consumed	1,795.93	2,102.42	2,629.73	3,898.35	5,098.82	10,095.41
	b) Change in Inventories of finished goods, work-in-progress and stock-in-trade	56.45	(67.94)	70.55	(11.49)	(88.38)	(41.35)
	c) Employee benefits expense	96.82	99.18	106.80	196.00	198.15	411.77
	e) Finance Costs	374.06	354.53	352.88	728.59	681.12	1,495.58
	e) Depreciation and amortization expense	75.46	76.05	76.08	151.51	152.40	306.32
	f) Other Expenses	331.58	332.41	359.02	663.99	687.41	1,431.07
	Total Expenses	2,730.31	2,896.65	3,595.07	5,626.96	6,729.53	13,698.80
3	Profit /(Loss) before exceptional items and tax (1-2)	(333.51)	(404.16)	(263.33)	-737.67	(354.70)	(1,043.87)
4	Exceptional Items (Refer note no.4)	-	(341.55)	-	-341.55	-	-
5	Profit /(Loss) tax (3-4)	(333.51)	(745.71)	(263.33)	-1,079.22	(354.70)	(1,043.87)
6	Tax expense	-	-	-	-	-	71.51
7	Net Profit/(Loss) for the period (5-6)	(333.51)	(745.71)	(263.33)	(1,079.22)	(354.70)	(1,115.38)
8	Other Comprehensive Income (OCI)						
	a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	b) Items that will be reclassified to profit or loss	-	-	-	-	-	4.87
	Other Comprehensive Income	-	-	-	-	-	4.87
9	Total comprehensive income for the period (7+8)	(333.51)	(745.71)	(263.33)	(1,079.22)	(354.70)	(1,110.51)
10	Paid-up Equity Share Capital (Face Value of ` 10 per share)	736.78	736.78	736.78	736.78	736.78	736.78 (2,757.10)
11	Other equity						
12	Earning per Share before exceptional items (Basic and diluted) (Rs.)	-4.53	(5.49)	(3.57)	(10.01)	(4.81)	(15.14)
13	Earning per Share after exceptional items (Basic and diluted) (Rs.)	(4.53)	(10.12)	(3.57)	(14.65)	(4.81)	(15.14)



Particulars	As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)
A. Assets		
(1) Non-current assets		
(a) Property, plant and equipment	4,761.08	5,238.35
(b) Financial assets		
(i) Investments	0.08	0.08
(c) Deferred tax assets (net)	189.68	189.68
(d) Current tax assets (net)	72.19	70.98
(e) Other non-current assets	290.14	333.15
Total- Non current assets	5,313.17	5,832.24
(2) Current assets		
(a) Inventories	829.48	848.13
(b) Financial assets		
(i) Trade receivables	859.42	989.77
(ii) Cash and cash equivalents	130.36	227.64
(iii) Bank balances other than (ii) above	10.49	10.49
(iv) Other current financial assets	5.18	182.77
(c) Other current assets	13.13	10.17
Total Current assets	1,848.06	2,268.97
Total - Assets	7,161.22	8,101.21
B. Equity and liabilities		
(1) Equity		
(a) Equity share capital	736.78	736.78
(b) Other equity	(3,586.46)	(2,507.23)
Total- Equity and liabilities	(2,849.68)	(1,770.45)
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	138.32	230.53
(ii) Other financial liabilities	442.25	599.63
(b) Provisions	136.23	148.63
Total-Non current liabilities	716.80	978.79
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,638.22	1,486.49
(ii) Trade payables	414.30	785.46
(ii) Other financial liabilities	7,129.39	6,525.11
(b) Other current liabilities	27.51	39.04
(c) Provisions	84.68	56.77
Total- current liabilities	9,294.09	8,892.87
Total- Liabilities	7,161.22	8,101.21



SUDAL INDUSTRIES LIMITED

Statement of Cash Flow for the half year ended 30th September, 2019

Particulars	(Rs. in Lakhs)	
	For the half year ended 30th September, 2019	For the half year ended 30th September, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(1,079.22)	(354.70)
Adjusted for:		
Depreciation	151.51	152.40
Defined benefit plans	-	-
Exceptional Items	341.55	
Interest Expenditure	728.59	681.12
Loss on Sale of Fixed Assets/ Discarded	-	-
	1,221.65	833.52
Operating profit before working capital changes	142.43	478.82
Adjustments for:		
Trade and Other Receivables	130.35	151.07
Trade Payables including Advance received from customers	(378.24)	(247.90)
Loans & Advances	74.14	69.22
Inventories	18.65	(56.12)
	(155.10)	(83.73)
Cash generated from operations	(12.68)	395.09
Direct Taxes Paid (Net)	(2.46)	(8.07)
NET CASH FLOW FROM OPERATING ACTIVITIES	(15.14)	387.02
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets including CWIP & Pre-operative Expenses	(56.78)	(48.97)
Sale of Fixed Assets/ Loss on discarding of assets	31.57	-
NET CASH USED IN INVESTING ACTIVITIES	(25.21)	(48.97)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (net of share issue expenses of Rs. Nil (Previous Year Rs. 37.55 crores))	-	-
Borrowings Increase/ (Decrease) [Net]	(46.71)	(92.16)
Interest Paid	(10.23)	(173.46)
NET CASH USED IN FINANCING ACTIVITIES	(56.94)	(265.62)
NET INCREASE / DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)	(97.28)	72.43
CASH AND CASH EQUIVALENTS - OPENING BALANCE	227.64	15.37
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	130.36	87.80

Notes :

- The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 14th November 2019 and the Statutory Auditors of the Company have carried out 'Limited Review' of the same.
- The operations of the Company relate to only one segment viz. Manufacturing of Aluminium Extrusions and down stream/ value added products.
- The Company has prepared the financial statement, on a going concern basis as it expects revival of demand of its products and consequent increase in capacity utilisation and that it has made an offer of One Time Settlement to the banker for the overdues. The impact of the settlement will be accounted for on its acceptance/payment. *Compliance of Bank's Statement*
- "Exceptional items represents loss on surrender of industrial lease land at Dhule, earlier acquired for expansion and diversification."
- The Deferred Tax Liabilities/ Assets, if any will be recognised at the year end.
- Figures for the previous periods have been regrouped and re-arranged wherever necessary to conform to the current period's classification.

For and on behalf of the Board of Directors

Mukesh V. Ashar

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

Place: Mumbai

Date: 14th November, 2019

