

To  
The Board of Directors of  
**Sudal Industries Limited**

## Report on the audit of the Financial Results

### Opinion

We have audited the accompanying financial results of **Sudal Industries Limited ('the Company')** for the quarter and year ended March 31, 2024, attached herewith along with notes thereto, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (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, these financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give 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 the net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2024.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial results 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 audit opinion.

### Material Uncertainty related to Going Concern

The Company has been continuously incurring losses over last several years (However, there was net profit after comprehensive income of Rs. 115.38 lakhs for the current quarter ended March 31, 2024 and Rs.12,118.66 lakhs for the year ended March 31, 2024). The management believes that it is appropriate to prepare these financial results 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) and also expected better operational performance.

Also Refer note 4 of the audited financial results for the quarter and year ended March 31, 2024



### **Management's Responsibilities for the Financial Results**

These quarterly financial results have been prepared based on the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results 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 these financial results.

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 financial results, 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 on whether the Company has adequate internal financial control system 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 by the Board of Directors.
- Conclude on the appropriateness of 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 financial results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

**Other Matter:**

The Financial Results include the results for the quarter ended March 31, 2024, and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year which were subject to limited review by us.

Our opinion is not modified in respect of the matter.

For **Bagaria and CO. LLP**  
Chartered Accountants  
Firm registration No. –113447W/W-100019



**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 24143503BKDZJO7613



Place: Mumbai  
Date: May 30, 2024

Particulars	Quarter Ended				Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023	
	Audited*	Unaudited	Audited*	Audited	Audited	
<b>Income</b>						
Revenue from Operations	3,482.87	3,324.25	3,931.50	14,410.97	15,985.39	
Other income	5.84	1.46	112.93	8.52	185.33	
<b>Total Income</b>	<b>3,488.71</b>	<b>3,325.71</b>	<b>4,044.43</b>	<b>14,419.49</b>	<b>16,170.72</b>	
<b>Expenses</b>						
Cost of materials consumed	2,684.94	2,497.34	2,995.16	11,259.64	12,739.99	
Changes in Inventories of finished goods, work-in-progress and Stock-in-trade	(42.84)	153.18	84.90	51.01	385.25	
Employee Benefits Expense	134.01	134.01	128.07	517.12	476.48	
Finance Costs	74.94	93.74	659.37	915.57	2,382.96	
Depreciation and Amortization Expense	46.65	45.14	48.19	179.41	239.24	
Other Expenses - Refer note 2 below	412.71	420.08	1,252.94	1,856.14	3,036.47	
<b>Total Expenses</b>	<b>3,310.41</b>	<b>3,343.49</b>	<b>5,168.62</b>	<b>14,778.89</b>	<b>19,260.38</b>	
<b>Profit/(Loss) before exceptional item</b>	<b>178.30</b>	<b>(17.78)</b>	<b>(1,124.19)</b>	<b>(359.40)</b>	<b>(3,089.66)</b>	
Exceptional items - Income / (Expenses) - Refer note 2 & 4 below	-	-	-	12,540.97	(248.16)	
<b>Profit/(Loss) before Tax</b>	<b>178.30</b>	<b>(17.78)</b>	<b>(1,124.19)</b>	<b>12,181.57</b>	<b>(3,337.82)</b>	
Tax Expense/(credit) - Refer note 5 below						
Tax expense for earlier years	63.92	-	-	63.92	-	
<b>Total tax expense-net</b>	<b>63.92</b>	<b>-</b>	<b>-</b>	<b>63.92</b>	<b>-</b>	
<b>Profit/(Loss) for the period</b>	<b>114.39</b>	<b>(17.78)</b>	<b>(1,124.19)</b>	<b>12,117.66</b>	<b>(3,337.82)</b>	
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>						
Items that will not be reclassified subsequently to Profit or loss						
Gain/(loss) on Re-measurement of net defined benefit plans	1.00	-	10.32	1.00	10.32	
<b>Total Other Comprehensive Income/(Loss)</b>	<b>1.00</b>	<b>-</b>	<b>10.32</b>	<b>1.00</b>	<b>10.32</b>	
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<b>115.38</b>	<b>(17.78)</b>	<b>(1,113.88)</b>	<b>12,118.66</b>	<b>(3,327.51)</b>	
<b>Equity</b>						
Equity share capital (Face Value of Rs. 10 each fully paid up)	836.78	836.78	736.78	836.78	736.78	
Other Equity excluding revaluation reserve as per the latest audited balancesheet				<b>1,088.95</b>	<b>(11,029.70)</b>	
Earnings per equity share of the face value of Rs.10 each						
Basic & Diluted from continuing operations after exceptional item (Rs) (Not annualised)	1.37	(0.21)	(15.26)	152.01	(45.30)	



**SUDAL INDUSTRIES LIMITED- Audited financial results for the Quarter and Year ended March 31, 2024**  
**Statement of Assets and Liabilities**

Rs in lakhs

Particulars	As at March 31, 2024	As at March 31,2023
	Audited	Audited
<b>ASSETS</b>		
<b>(1) NON - CURRENT ASSETS</b>		
(a) Property, Plant & Equipment	3,345.82	3,225.02
(b) Capital - work- in- progress	139.95	30.14
(c) Intangible Assets	18.14	-
(d) Intangible Assets under development	37.64	31.08
(e) Financial assets		
(i) Investments	0.08	0.08
(ii) Other financial assets	0.29	10.14
(f) Income tax assets	24.24	86.90
(g) Other non-current assets	109.66	412.60
<b>TOTAL NON - CURRENT ASSETS</b>	<b>3,675.82</b>	<b>3,795.97</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	761.14	1,032.33
(b) Financial assets		
(i) Trade receivables	885.33	1,031.84
(ii) Cash & cash equivalents	145.28	159.18
(iii) Other bank balances	55.79	53.23
(iv) Other financial assets	5.48	1.00
(c) Other current assets	92.24	75.74
<b>TOTAL CURRENT ASSETS</b>	<b>1,945.26</b>	<b>2,353.32</b>
<b>TOTAL ASSETS</b>	<b>5,621.08</b>	<b>6,149.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	836.78	736.78
Other equity	1,088.95	(11,029.70)
<b>TOTAL EQUITY</b>	<b>1,925.73</b>	<b>(10,292.92)</b>
<b>LIABILITIES</b>		
<b>(1) NON - CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Long Term Borrowings	1,892.00	-
(ii) Provisions	131.88	136.20
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>2,023.88</b>	<b>136.20</b>
<b>(2) CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Short Term Borrowings	318.92	65.01
(ii) Trade payables		
- Total Outstanding Dues of Micro and small enterprises	8.31	-
- Total Outstanding Dues of Creditors other than Micro and small enterprises	906.98	972.06
(iii) Other financial liabilities	250.00	15,074.64
(b) Other current liabilities	125.79	140.85
(c) Provisions	61.47	53.45
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,671.47</b>	<b>16,306.02</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,621.08</b>	<b>6,149.29</b>



**SUDAL INDUSTRIES LIMITED- Audited financial results for the Quarter and Year ended March 31, 2024**

Rs in lakhs

	Year ended	
	March 31,2024	March 31,2023
	Audited	Audited
<b>Cash flow from Operating Activities:</b>		
<b>Net Profit/(loss) as per statement of profit &amp; loss before tax after exceptional item</b>	<b>12,181.57</b>	<b>(3,337.82)</b>
Add: Adjustments for :		
Depreciation & amortisation expenses	179.41	239.24
Finance cost	915.57	2,382.96
Provision for doubtful debts provided for	13.62	8.05
Liability no longer payable written back (Refer note 4)	(12,540.97)	-
Provision for claims receivable	-	248.16
Interest Income	(7.52)	(2.97)
Liabilities no longer payable written back	(1.00)	(71.83)
Loss on sale/discard of Property, Plant and Equipment	37.98	1,076.85
<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>778.66</b>	<b>542.63</b>
<b>Adjustments for changes in Working Capital :</b>		
(Increase)/Decrease in Trade Receivables	132.90	(157.91)
(Increase)/Decrease in Financial assets -current and non current	7.29	(0.75)
(Increase)/Decrease in Other assets - current and non current	(44.87)	(193.13)
(Increase)/Decrease in Inventories	271.19	147.16
Increase/(Decrease) in Trade Payables	(55.77)	130.48
Increase/(Decrease) in Other financial liabilities	0.00	42.75
Increase/(Decrease) in Other current liabilities	(38.35)	(87.59)
Increase/(Decrease) in Provisions	4.70	0.46
<b>Cash generated from Operations</b>	<b>1,055.75</b>	<b>424.11</b>
Income Taxes Refund/(Paid )-net	(1.26)	(0.78)
<b>Net cash from/(used in) Operating Activities - A</b>	<b>1,054.49</b>	<b>423.33</b>
<b>Cash flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment including capital work in progress and capital advance	(439.71)	(459.09)
Purchase of Intangible assets including intangible assets under development	(25.97)	-
Proceeds from Sale of Property Plant and Equipment	-	25.00
Interest received	3.04	2.32
<b>Net Cash from/(used in) Investing Activities - B</b>	<b>(462.64)</b>	<b>(431.77)</b>
<b>Cash flow from Financing Activities:</b>		
Proceeds from Issue of Equity Shares	100.00	-
Proceeds from long term borrowings	2,142.00	-
Proceeds from short term borrowings	3.91	-
Payment towards debt settlement (Refer note 4)	(2,657.28)	-
Interest paid	(194.38)	(42.22)
<b>Net cash from/(used in) Financing Activities - C</b>	<b>(605.75)</b>	<b>(42.22)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(13.90)</b>	<b>(50.66)</b>
Opening Cash and Cash Equivalents	159.18	209.84
<b>Closing Cash and Cash Equivalents</b>	<b>145.28</b>	<b>159.18</b>



*Handwritten signature/initials*

**SUDAL INDUSTRIES LIMITED - Audited financial results for the Quarter and Year ended March 31, 2024**

**NOTES :**

1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 30, 2024. The statutory auditors of the Company have audited the above financial results for the quarter and year ended March 31, 2024 in terms of Regulations 33 of SEBI (Listing and Order Disclosure Requirements) Regulation 2015 and have issued their reports with unmodified opinion on the audited financial results.

2 (a) Particulars	Quarter Ended				Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023	
	Audited*	Unaudited	Audited*	Audited	Audited	Audited
Other Expenses includes the following :						
Loss on discarding of Dies	5.81	13.33	645.22	37.98	959.80	
Loss on sale of property, plant and equipment	-	-	-	-	117.05	
2 (b) Exceptional item represents provision made in respect of electricity and control duty receivable	-	-	-	-	-	248.16

(Rs. in Lakhs)

3 In terms of requirement of IND AS 108 the Operations of the Company relate to only one segment viz. Manufacturing of Aluminium Extrusions and down stream/ value added products.

4 (a) During the year ended March 31, 2024, the Company's Prepackage Insolvency Resolution Plan (PIRP) was approved by Hon'ble NCLT, Mumbai vide its Order dated August 10, 2023. Consequently, the Company has written back liabilities in respect of principal and interest aggregating to Rs.12540.97 lakhs (including interest of Rs.690.77 lakhs for the period from April 1, 2023 to June 30, 2023) and disclosed the same as exceptional items. The Company has been continuously incurring losses over last several years. However, there was net profit after comprehensive income of Rs. 115.38 lakhs for the current quarter ended March 31, 2024 and Rs.12,118.66 lakhs for the year ended March 31, 2024. In view of the aforesaid settlement, being post settlement timely payment of the installments to the lender in compliance with aforesaid NCLT Order and also expected better operational performance in future, the management believes that it is appropriate to prepare these financial statements on a going concern basis.

4 (b) One of the unsecured lender of Rs.1243.39 lakhs (as mentioned in the aforesaid NCLT Order) which has been settled for Rs. 2.46 lakhs as per NCLT Order filed an appeal before the Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi praying for reversal of the aforesaid Resolution Plan. Based on the expert opinion, the Company expects a favourable outcome in this regard.

5 The Company will exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961 for the current financial year before filing of the Income Tax return and therefore, is not liable for Minimum Alternate Tax (MAT) on book profits. Considering brought forward unabsorbed losses/depreciation and opting for aforesaid option, no current tax liability needs to be provided for.

6 \* The figures of the Current quarter and corresponding quarter of the previous year are the balancing figures between audited figures for the full financial year and unaudited published year to date figures up to the third quarter.

7 Figures for the previous periods have been regrouped, wherever necessary to conform to the current period's classification.



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

*M.V. Ashar*

**M.V. Ashar**  
Whole Time Director  
DIN : 06929024

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