

SUDAL INDUSTRIES LIMITED



Corporate Office: 26A Nariman Bhavan, 227 Nariman Point, Mumbai 400 021. (INDIA) • Phone: 91-22-22023845, 61577100 - 119
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November 21, 2022

To
Corporate Relationship Department
BSE Limited
P. J. Towers, 1st Floor,
Dalal Street, Mumbai – 400 001

Scrip Code: 506003

Sub.: Proceedings of the Adjourned Meeting of the Board of Directors held on Monday, November 21, 2022

Dear Sir/Madam,

In continuous of our letter dated November 14, 2022 and pursuant to Regulation 30 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the meeting of the Board of Directors of the Company held on Monday, November 14, 2022, was adjourned due to want of certain clarifications sought by the Audit Committee, the said Adjourned meeting of the Audit Committee and Board of Directors were held on Monday, November 21, 2022. The board meeting was commenced at 5.00 PM and concluded at 6.10 PM, wherein the Board of Directors of the Company approved the Un-Audited Financial Results for the quarter and half year ended September 30, 2022 and taken on record the Limited Review Report on the said results issued by the Statutory Auditors.

Copy of the said Un-Audited quarterly financial results along with Limited Review Report are attached.

You are requested to take note of the same.

Thanking You,

Yours faithfully,
For **Sudal Industries Limited**

Sudarshan Chokhani
Managing Director
DIN: 00243355

LIMITED REVIEW REPORT

To the Board of Directors of
Sudal Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Sudal Industries Limited** ("the Company") for the quarter and half year ended September 30, 2022. The statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this financial result based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Material Uncertainty related to Going Concern

The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. As explained, due to slackness in demand by user industries, lack of working capital funding and volatility of aluminium price, the Company was/is not able to utilize its production capacity optimally. The management feels that the demand would revive considering various incentive packages announced by the Government of India. The Company has submitted settlement plan to bank and intend to arrive at settlement under Prepackage Insolvency Resolution Process and confident to accept settlement as proposed by the bank and other unsecured financial creditors and accordingly, management believes that it is appropriate to prepare the financial results on a going concern basis. (Refer note 4)

Our conclusion on the statement is not modified in respect of the above matter.

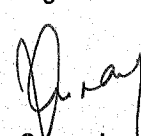
4. Emphasis of Matter:

Other non-current assets' includes claims/dues receivable in respect of electricity duty and Octroi Duty (grant) aggregating to Rs. 248.16 lakhs as on September 30, 2022, whose release of dues have been substantially delayed by the government authorities. The management is continuously following up with the concerned authorities and expects to receive these amounts in due course.

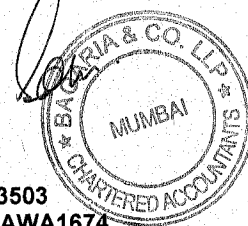
Our conclusion on the statement is not modified in respect of the above matter.

5. 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Bagaria and CO. LLP
Chartered Accountants
Firm Registration No. -113447W/W-100019


Vinay Somani
Partner

Membership No. 143503
UDIN:22143503BDSA1674



Place: Mumbai
Date: November 21, 2022

SUDAL INDUSTRIES LIMITED

CIN: L21541MH1979PLC021541

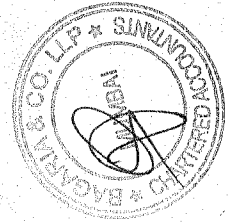
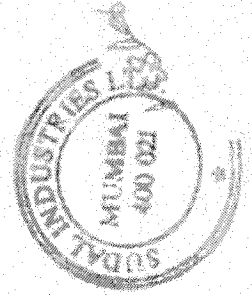
Registered office: A-5, MIDC, Ambad Industrial Area, Nashik - 422 010.

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

Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2022

(Rs. in Lakhs)

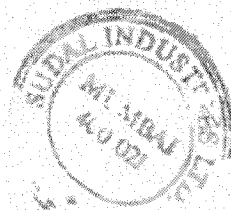
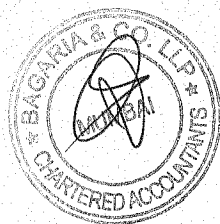
Particulars	Quarter Ended			Half Year ended		Year ended March 31, 2022 Audited
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
Income						
Revenue from Operations	4,475.93	3,783.92	2,910.75	8,258.87	5,434.12	12,864.42
Other income	49.21	17.80	10.85	57.81	10.85	10.85
Total Income	4,516.10	3,800.52	2,921.61	8,316.72	5,444.97	12,905.27
Expenses						
Cost of materials consumed	3,479.17	3,088.90	2,573.50	6,562.07	4,444.88	10,071.54
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	63.79	104.91	(275.95)	216.70	(262.09)	(36.11)
Employee Benefits Expenses	111.85	110.48	104.88	222.33	203.29	426.42
Finance Costs	588.10	505.24	480.58	1,131.34	923.80	2,072.09
Depreciation and Amortization Expense	80.03	67.60	72.01	127.63	143.26	276.98
Other Expenses - Refer note 2(a) below	818.40	839.12	397.37	1,157.52	330.78	1,518.28
Total Expenses	4,813.34	4,665.26	3,332.07	9,479.59	6,183.13	14,327.17
Profit (Loss) before exceptional item	(297.24)	(865.63)	(410.46)	(1,162.87)	(738.16)	(1,421.80)
Exceptional Items - Income / (Expenses) - Refer note 2(b) below	(297.24)	(865.63)	(410.46)	(1,162.87)	(738.16)	(968.71)
Profit (Loss) before tax						
Tax Expense (credit)						
Current Tax						
Total tax expense-net						
Profit (Loss) for the period	(297.24)	(865.63)	(410.46)	(1,162.87)	(738.16)	(968.71)
OTHER COMPREHENSIVE INCOME (LOSS)						
Items that will not be reclassified subsequently to Profit or loss						
Gain/(Loss) on Measurement of net defined benefit plans						5.11
Total Other Comprehensive Income/(Loss)	(297.24)	(865.63)	(410.46)	(1,162.87)	(738.16)	(965.81)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD						
Equity share capital (Face Value of Rs. 10 each fully paid up)	736.78	736.78	736.78	736.78	736.78	736.78
Other Equity excluding revaluation reserves as per the latest audited balance sheet						
Earnings per equity share of the face value of Rs. 10 each						
Basic & Diluted from continuing operations (Rs) (Not annualised)	(4.03)	(11.75)	(5.57)	(15.75)	(10.92)	(13.04)



SUDAL INDUSTRIES LIMITED - Unaudited financial result for the quarter and half year ended September 30, 2022
Statement of Assets and Liabilities

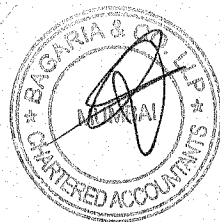
Rs in lakhs

Particulars	As at September 30, 2022	As at March 31, 2022
	Unaudited	Audited
ASSETS		
(1) NON - CURRENT ASSETS	3,608.28	3,974.29
(a) Property, Plant & Equipment	347.60	213.97
(b) Capital work in progress	10.80	-
(c) Intangible Assets under development	-	-
(d) Financial assets	0.08	0.08
(i) Investments	10.14	10.14
(ii) Other financial assets	86.41	86.12
(e) Income tax assets	600.57	448.90
(f) Other non-current assets	4,729.68	4,731.86
TOTAL NON - CURRENT ASSETS	966.79	1,179.49
(2) CURRENT ASSETS		
(a) Inventories	1,175.34	881.98
(b) Financial assets	190.25	209.84
(i) Trade receivables	51.15	51.15
(ii) Other bank balances	1.73	2.62
(iv) Other financial assets	208.31	75.45
(c) Other current assets	2,893.61	2,400.83
TOTAL CURRENT ASSETS	7,323.29	7,132.09
TOTAL ASSETS		
EQUITY AND LIABILITIES		
EQUITY	736.78	736.78
Equity share capital	(9,965.06)	(7,702.19)
Other equity	(8,128.28)	(6,965.41)
TOTAL EQUITY		
LIABILITIES		
(1) NON - CURRENT LIABILITIES		
Financial liabilities	29.00	22.26
Other Financial Liabilities	138.06	134.28
Provisions	167.09	156.54
TOTAL FINANCIAL LIABILITIES		
(2) CURRENT LIABILITIES		
(a) Financial liabilities		
(i) Trade payables		
- Total Outstanding Dues of Micro and small enterprises	1,176.03	913.40
- Total Outstanding Dues of Creditors other than Micro and small enterprises	13,645.18	12,733.90
(ii) Other financial liabilities	193.90	228.44
(b) Other current liabilities	69.37	85.22
(c) Provisions	15,284.49	13,840.98
TOTAL CURRENT LIABILITIES	7,323.29	7,132.09
TOTAL EQUITY AND LIABILITIES		



SUDAL INDUSTRIES LIMITED- Unaudited financial result for the quarter and half year ended September 30, 2022

Cash Flow Statement :	Rs in lakhs		
	Half Year ended		Year ended
	September 30,2022	September 30,2021	March 31,2021
	Unaudited	Unaudited	Audited
Cash flow from Operating Activities:			
Net Profit/(loss) as per statement of profit & loss before tax after exceptional item	-1,162.67	-738.16	-968.71
Add: Adjustments for:			
Depreciation & amortisation expenses	127.63	143.28	275.88
Interest Expenses including exceptional items	1,131.34	923.80	1,610.88
Interest Income	1.38	-	-
Liabilities no longer payable written back	-55.43	-	-10.85
(Profit)/Loss on sale of Property, Plant and Equipment	292.83	39.38	92.38
Operating Profit/(Loss) before Working Capital changes	333.88	368.28	1,007.64
Adjustments for changes in Working Capital :			
Trade Receivables	-293.40	96.08	-88.88
Financial assets -current and non current	-0.49	-30.75	-
Other assets - current and non current	-325.95	0.00	-221.91
Inventories	212.70	-229.99	-41.42
Trade Payable	318.06	-68.76	-170.38
Other financial liabilities	6.77	-	-72.87
Other current liabilities	-34.54	-	-
Provisions	7.93	0.01	-
Cash generated from Operations	225.96	134.86	547.74
Income Taxes Refund/(Paid)-net	(0.29)	-	-7.84
Net cash from/(used in) Operating Activities - A	225.67	134.86	540.10
Cash flow from Investing Activities:			
Purchase of Property, Plant and Equipment	(224.27)	(56.03)	(369.41)
Capital Advance	(20.52)	-	-
Sale of Property Plant and Equipment	25.80	-	-
Interest received	-	-	-
Net Cash from/(used in) Investing Activities - B	(225.20)	(56.03)	(369.41)
Cash flow from Financing Activities:			
Payment towards One time settlement	-	-	(56.58)
Interest paid	(20.06)	(2.40)	-
Net cash from/(used in) Financing Activities - C	(20.06)	(2.40)	(56.58)
Net increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(19.59)	76.42	114.11
Opening Cash and Cash Equivalents	209.84	95.75	95.73
Closing Cash and Cash Equivalents	190.25	172.17	209.84



NOTES:

- 1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 21, 2022. The statutory auditors of the Company have reviewed the above financial results for the quarter and half year ended September 30, 2022 in terms of Regulations 33 od SEBI(Listing and Order Disclosure Requirements) Regulation 2015.
- 2(a) Other Expense for the Quarter ended June 30, 2022 and half year ended September 30, 2022 includes Rs. 117.05 lakhs on account of loss on sale of machinery.
- 2(b) Exceptional item for the Year ended March 31, 2022 represents liability in respect of principal/interest no longer payable to a lender on reaching one time settlement.
- 3 The Operations of the Company relate to only one segment viz. Manufacturing of Aluminium Extrusions and down stream/ value added products.
- 4 The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. Due to slackness in demand by user industries, lack of working capital funding and volatility of aluminium price the Company was/is not able to utilize its production capacity optimally. The management feels that the demand would revive considering various incentive packages announced by the Government. The management also expects to convince the lenders who have approached the NCLT for recovery of their dues for a pre-accepted resolution plan and accordingly believes that it is appropriate to prepare the financial statements on a going concern basis.
- 5 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
For Sudal Industries Limited

M.V. Ashar
Director & CFO
DIN : 06929024

Place : Mumbai
Date : November 21, 2022

