



Corporate Office : 26A Nariman Bhavan, Opp. NCPA, 227 Nariman Point, Mumbai 400 021.(INDIA)  
Phone: 91-22-22023845, 61577100, 61577177 ● Fax : 91-22-22022893 ● E-mail : mumbai@sudal.co.in ● www.sudal.co.in

September 06, 2023

To  
**Corporate Relationship Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 506003**

Dear Sir/Madam,

**Sub: Annual Report and Notice of the 44<sup>th</sup> Annual General Meeting ('AGM')**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year ended 2022-23 containing inter alia Notice of the 44<sup>th</sup> AGM of the Company scheduled to be held on Saturday, September 30, 2023 at 3:00 p.m., IST, at the Registered office situated at A-5 MIDC Ambad Industrial, Mumbai-Nashik Highway, Nashik – 422 010

The Notice of AGM along with the Annual Report for the financial year 2022-23 is being sent through electronic mode to the Members and is also available on the website of the Company.

This is for your information and records.

For **Sudal Industries Limited**

SUDARSHAN  
SHRIRAM CHOKHANI

Digitally signed by SUDARSHAN  
SHRIRAM CHOKHANI  
Date: 2023.09.06 11:41:20 +05'30'

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

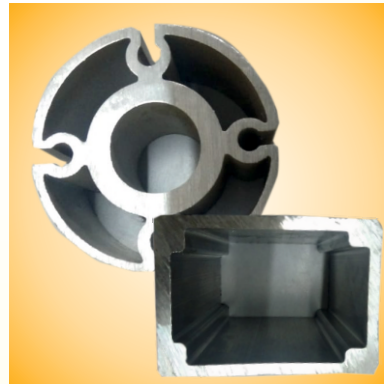
**Encl: As above**

# SUDAL SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



## 44<sup>th</sup> ANNUAL REPORT 2022-23



TÜV

• ISO/TS 16949:2009 • DIN EN ISO 9001:2008  
• BS OHSAS 18001:2007 • ISO 14001:2004  
• SA 8000:2008 • ISO 50001:2011  
• Certified Company

# **SUDAL** **SUDAL INDUSTRIES LIMITED**

CIN : L21541MH1979PLC021541



# Corporate Information

## FOUNDER AND PROMOTER DIRECTOR

Late Shri. Shriram Chokhani [1924-2010]

## BOARD OF DIRECTORS

Shri Sudarshan S Chokhani (Managing Director)  
 Shri Shyantanu S Chokhani (Non-Executive Director)  
 Shri Mukesh V Ashar (Whole time Director & CFO)  
 Shri Jal S Thanawala (Independent Director)  
 Shri Lalit Maharshi (Independent Director)  
 Ms. Neha Dhuru (Independent Director) -  
 (upto May 02, 2023)  
 Shri Prasanna Vitthal Ramdas (Company Secretary and  
 Compliance Officer)  
 Shri Debasis Acharya (Chief Executive Officer)  
 (w.e.f June 01, 2022)

## CORPORATE MANAGEMENT TEAM

Shri Rajendra Shah (Chief Marketing Officer)  
 Shri Kishore Dulla (Commercial Manager)  
 Shri Shirish Raut- Senior Business Development Manager

## REGISTERED OFFICE & PLANT

A-5 MIDC, Ambad Industrial Estate, Mumbai Nashik  
 Highway, Nashik-422010, Maharashtra  
 Tel No 91-253-6636200/201  
 E-mail: [nashik@sudal.co.in](mailto:nashik@sudal.co.in)

## CORPORATE OFFICE

26A, Nariman Bhavan, 227, Nariman Point, Mumbai  
 400021 Tel No 91-22-61577100/177 E-mail:  
[mumbai@sudal.co.in](mailto:mumbai@sudal.co.in)/[mvashar@sudal.co.in](mailto:mvashar@sudal.co.in)

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private limited C101,247 Park,  
 L B S Marg Vikhroli West, Mumbai -400083  
 Tel No 91-22-49186000 Fax No 91-22-4918606  
 E Mail :[rnt.helpdeck@linkintime.co.in](mailto:rnt.helpdeck@linkintime.co.in)  
 Web site [www.linkintime.co.in](http://www.linkintime.co.in)

## STATUTORY AUDITORS

Bagaria & Co LLP Chartered Accountants  
 701 Stanford,  
 Junction of S V Road & Barfiwala Marg,  
 Andheri (W), Mumbai 400058.

## BANKERS

Canara Bank, Mumbai

## SOLICITORS & ADVOCATES

India Law Alliance  
 Surya Mahal, 1st Floor,  
 S Burjori Bharucha Marg,  
 Fort, Mumbai -400023

44<sup>th</sup> Annual General Meeting on , Saturday September 30, 2023 at  
 3:00 P.M. AT A- 5 MIDC, Ambad Industrial Area, Mumbai Nashik  
 Highway Nashik - 422010

Page No.	Content
02	Notice
14	Board Report
25	Management Discussion and analysis
37	Independent Auditors' Report
47	Balance Sheet
48	Statement of Profit & Loss Accounts
49	Cash Flow Statement
51	Significant Accounting Policies & Notes forming part of the Financial statements.

## NOTICE

**NOTICE** is hereby given that the 44<sup>th</sup> (Forty Fourth) Annual General Meeting ("**AGM**") of Sudal Industries Limited will be held on Saturday, September 30, 2023 at 3:00 p.m., at the Registered office situated at A-5, MIDC Ambad Industrial, Mumbai Nashik Highway, Nashik – 422 010 to transact following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 comprising of Balance Sheet as at March 31, 2023, Statement of Profit and Loss and Cash Flow for the year ended as on that date and Notes to Accounts as at together with the Reports of the Board of Directors' and Auditors' thereon;
2. To appoint a Director in place of Mr. Mukesh Vijayshri Ashar (DIN: 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. Ratification of remuneration payable to Cost Auditors:**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and recommendation of the Audit Committee, the payment of remuneration of <sup>1</sup> 80000- (Rupees Eighty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals to M/s Hemant Shah & Associates, Cost Accountants (ICWAI FRN.: 000394) who have been re-appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the Financial Year ended March 31, 2024 be and is hereby ratified."

#### **4. Approval of members for continuation of Mr. Mukesh Ashar (DIN: 06929024), as a Whole-Time Director of the Company after attaining the age of 70 years:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any modification(s) or re-enactments thereof for the time being in force), as per recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, consent of members of the Company be and is hereby accorded to continuation of Mr. Mukesh Ashar (DIN: 06929024), as a Whole-Time Director of the Company, after attaining the age of 70 years on June 06, 2024, on the terms and conditions as approved by the members at the Annual General Meeting held on December 26, 2022.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorize any Directors in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### **5. Re-Appointment of Mr. Sudarshan Chokhani (DIN: 00243355), as a Managing Director of the Company for a period of 3 (Three) years:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company and as per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, consent of members of the Company be and is hereby accorded to the re-appointment of Mr. Sudarshan Chokhani, as Managing Director (DIN: 00243355) of the Company, for a period of 3 (Three) years, with effect from September 1, 2023 to August 31, 2026 as a Managing Director of the Company, who shall be liable to retire by rotation, on such terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice of the 44<sup>th</sup> (Forty Forth) Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** consent of the members be and is hereby granted to the Managing Director to continue to occupy the office of the Managing Directors after attaining the age of 70 years on June 21, 2024.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, during the tenure of Mr. Sudarshan Chokhani as a Managing Director of the Company, he shall be paid such remunerations, at the same substantive level as specified in explanatory statement.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorize any Directors in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

**Sudarshan Chokhnaï  
Managing Director  
DIN: 00243355**

**Place: Mumbai**

**Date: August 23, 2023**

**NOTES:**

1. A statement setting out the material facts relating to special business to be transacted at the meeting pursuant to section 102(1) of the Companies Act, 2013 is annexed here to. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in respect of Directors seeking appointment/re-appointment at the Annual General Meeting is furnished as **Annexure A** to the notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the Total Share Capital of the Company carrying voting rights. Member holding more than 10% of the Total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. Corporate Members intending to send their representative to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. Only confide members of the Company whose names appear on the register of member/proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting.
5. In case of joint holders attending the Meeting, any such joint holder who is higher in the order of names will be entitled to vote.
6. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. Link Intime (India) Private Limited having their registered office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083.
7. Register of Members of the Company shall remain closed from Sunday, September 24, 2023 to Saturday, September 30, 2023 (Both days inclusive).
8. Members who wish to seek clarification on accounts, are requested to address their queries to the Registered Office of the Company at least seven days prior to the date of Annual General Meeting, to enable the Management to make available the relevant information at the Annual General Meeting to the extent possible.
9. Members are requested to bring their copy the Annual Report to the Annual General Meeting.
10. A brief resume of Directors proposed to be re-appointed at the Annual General Meeting, as per Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings are annexed hereto.
11. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the

Companies Act, 2013, will be available inspection by the members at the Annual General Meeting. Members are requested to write to the Company at [mvashar@sudal.co.in](mailto:mvashar@sudal.co.in).

12. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH-13 duly filled in to M/s. Link Intime (India) Private Limited at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
13. Members are requested to:
  - a) intimate to the Company's Registrar and Transfer Agents, M/s. Link Intime (India) Private Limited at the above mentioned address of changes if any, in the registered address at an early date, in case of shares held in physical form;
  - b) intimate to the respective Depository Participants, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form;
  - c) send their email ID's to the Registrar and Share Transfer Agent of the Company/to the Company (for members holding shares in physical form);
  - d) send/update their email ID's to the Depository Participant/Registrar and Share Transfer Agent of the Company (for members holding shares in Demat Form);
  - e) quote their Folio numbers/Client ID/DP ID in all their correspondences;
  - f) approach the Company to consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names;
  - g) get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee; and
  - h) to bring their copies of the Annual Report, Notice and Attendance slip to the General Meeting. No copies will be distributed at the Meeting as a measure of economy.
14. Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/ RTA/ Cir03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:
  - Surviving joint holders' PAN Cards for deletion of name of deceased shareholder;
  - Legal heirs' PAN Cards for transmission of shares; and
  - Joint holders' PAN Cards for transposition of shares.

In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for deletion/ transmission and transposition of shares of the Company in physical form will be returned under objection.
15. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the Electronic copy of the Annual Report for the Financial Year 2022-23 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the Financial Year 2022-23 are being sent in the permitted mode.
16. Members may also note that the Notice of the 44<sup>th</sup> Annual General Meeting and the Annual Report for the Financial Year 2022-23 will also be available on the Company's website [www.sudal.co.in](http://www.sudal.co.in).
17. In terms of Section 91 of the Companies Act, 2013 and Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cut-off Date for the purpose of the remote e-voting of Annual General Meeting is Saturday, September 23, 2023.
18. Mr. Jayesh Shah, Practising Company Secretary (Membership No. FCS 5637), Partner, M/s Rathi & Associates, Company Secretaries in practice has been appointed as the Scrutinizer for conducting e-voting and physical ballot process at the AGM in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by physical voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The results shall be declared within two working days from conclusion of the AGM. The results along with the report of the Scrutinizer shall be placed on the website of the Company [www.sudal.co.in](http://www.sudal.co.in) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited.

Voting through electronic means: In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited ('NSDL') i.e. Remote e-voting. The facility for voting through ballot paper, will also be made available at the venue of the Annual General Meeting and the members attending the Annual General Meeting, who have not already cast their votes by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who have cast their votes by remote e-voting prior to Annual General Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again.

#### **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

The remote e-voting period begins on Wednesday, September 27, 2023 at 09:00 A.M. and ends on Friday, September 29, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, September 23, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, September 23, 2023.

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**


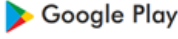


##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as</li> </ol>



	<p>shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs@sudal.co.in](mailto:cs@sudal.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@sudal.co.in](mailto:cs@sudal.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@sudal.co.in](mailto:cs@sudal.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository

Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

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**ITEM NO. 3**

The Board of Directors of the Company, on recommendation of Audit Committee of the Board, had approved the re-appointment of M/s. Hemant Shah & Associates, Cost Accountants (FRN.: 000394) as the Cost Auditors of the Company to conduct the audit of the cost accounts maintained by the Company for Financial Year ended March 31, 2024.

In accordance with the provision of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditor Rule), 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for ratification of the remuneration payable to Cost Auditors for the Financial Year 2023-24.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in the proposed Resolution as set out in the Notice.

The Board recommends the matter pertaining to ratification of remuneration payable to Cost Auditors by way of an Ordinary Resolution as set out in the Item No. 3 of the Notice for approval of the Members of the Company.

**ITEM NO. 4.**

The Members at the 43<sup>rd</sup> (Forty Third) Annual General Meeting of the Company held on December 26, 2022, re-appointed Mr. Mukesh Ashar as a Whole-Time Director of the Company, for a period of 3 (Three) years with effect from December 8, 2022 to December 7, 2025.

The said Director will be attaining the age of 70 years on June 6, 2024. As per the provisions of Part A Schedule V of the Companies Act, 2013, no person shall be eligible for appointment as a managing or whole-time director or a manager (hereinafter referred to as managerial person) of a company unless he satisfies the conditions specified therein. One of the conditions is if a managerial person attains the age of seventy years; his appointment is required to be approved by a special resolution passed by the company in general meeting.

Keeping in view that Mr. Mukesh Ashar has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time. It would be in the interest of the Company to continue the employment as a Whole-Time Director.

No Director, Key Managerial Personnel and their relatives, except the appointee himself, is in any way, concerned or interested in the resolution.

The Board recommends the matter pertaining to revision in the terms of re-appointment of Mr. Mukesh Ashar as a Whole-Time Director of the Company by way of Special Resolution as set out at Item No. 4 of the Notice for approval of the Members of the Company.

Details pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the "Annexure A" to the Notice.

**ITEM NO. 5**

The Members at the 38<sup>th</sup> (Thirty Eighth) Annual General Meeting of the Company held on September 24, 2017, re-appointed Mr. Sudarshan Chokhani as a Managing Director of the Company, for a period 5 (Five) years with effect from September 01, 2018 to August 31, 2023. His term as a Managing Director of the Company expiring on August 31, 2023. He will be attaining the age of 70 years on June 21, 2024.

The Managing Director is one of the Promoters of the Company and has been associated with the Company since more than 4 decades. Considering plans for the future, the industry standards and the experience of the Managing Director and the responsibilities borne by him and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 14, 2023, approved the reappointment of Mr. Sudarshan Chokhani as a Managing Director, for a period of 3 (Three) years, with effect from September 1, 2023 to August 31, 2026, who shall be liable to retire by rotation.

Except the appointee and Mr. Shyantanu Chokhani, Director (Son of Mr. Sudarshan Chokhani), no Director, Key Managerial Personnel

their relatives, is in any way, concerned or interested in the resolution.

The Board recommends the matter pertaining to the re-appointment of Mr. Sudarshan Chokhani as the Managing Director of the Company by way of Special Resolution as set out at Item No. 5 of the Notice for approval of the Members of the Company.

The terms and conditions including remuneration payable to Mr. Sudarshan Chokani, Managing Director are set out below:

1. Remuneration payable is as follows:

Sr. No.	Particulars	Remuneration payable per annum (in INR)
1.	Gross Salary	4800000
2.	LTA	0
3.	Medical	0
4.	Bonus	0
	<b>Total</b>	4800000

2. He shall not be entitled to receive the sitting fees for attending the meetings of the Board of Directors or any committee thereof as appointed by the Board or under any statute.
3. The pecuniary relationship is to the extent of the transactions being carried out with related parties in the ordinary course of business.

Considering the loss during the year, the remuneration proposed is within the prescribed limit of Section II, Part II of Schedule V of the Companies Act, 2013.

Further the additional information as required by Section II, Part II of Schedule V of the Companies Act, 2013 is given below:

**General information:**

Sr. No.	Particulars	Information												
1.	Nature of industry	Aluminum and aluminum based products												
2.	Date of commencement of commercial production	May, 1980												
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable												
4.	Financial performance based on given indicators	<b>Rs. In Lakhs</b>												
		<table border="1"> <thead> <tr> <th></th> <th>2022-23</th> <th>2021-22</th> <th>2020-21</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>15985</td> <td>12894</td> <td>8176</td> </tr> <tr> <td>Profit / (loss) after tax</td> <td>-3327</td> <td>-960</td> <td>-1382</td> </tr> </tbody> </table>		2022-23	2021-22	2020-21	Sales	15985	12894	8176	Profit / (loss) after tax	-3327	-960	-1382
	2022-23	2021-22	2020-21											
Sales	15985	12894	8176											
Profit / (loss) after tax	-3327	-960	-1382											
5.	Foreign investments or collaborations, if any.	Not Applicable												

**I. Information about the appointee:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>
1.	Background details	Mr. Sudarshan Chokhani, aged 69 years is a Bachelor in Commerce and completed studies in EDP from Mumbai University. He is associated with the Company, right from its incorporation in August 1979 and has played an instrumental role in all phases, since the time of setting up of the project of manufacturing aluminum extrusions, till date. He possesses sound knowledge and rich experience of more than 38 years in the field.
2.	Past remuneration	Rs. 42,00,000/- per annum (3.50 Lakhs per Month)
3.	Recognition or awards	Nil
4.	Job profile and his suitability	He is responsible for day to day management of the Company, subject to overall superintendence, control and supervision of the Board of Directors. He is qualified, an expert and has sound knowledge and rich experience of more than 38 years in the field of aluminum.
5.	Remuneration proposed	Rs.480000/- per annum (Rs. Four Lakhs per Month) plus other perquisites as per the policy of the company
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, his profile, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid is in commensurate with the remuneration packages paid to similar senior level counterpart(s) in other Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	He is also the promoter of the Company. He is the father of Mr. Shyantanu Chokhani, Director. Besides the remuneration proposed to be paid to him, the pecuniary relationship is to the extent of the transactions carried out with related parties, in the ordinary course of business.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>
1.	Reasons of loss or inadequate profits	<ul style="list-style-type: none"> <li>• The Company's performance was affected by universal recessionary trend from 2008 onwards.</li> <li>• Uncertainty in demand.</li> <li>• Increase in finance cost.</li> <li>• Steep increase in electricity and fuel prices.</li> <li>• High volatility in price of raw materials.</li> <li>• Higher working capital requirement / absence of working capital availability.</li> </ul>
2.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>• The revival of economic schemes announced \ implemented by the Central Government, is enabling the Company improving the performance.</li> <li>• To minimize the impact of increasing input cost, your</li> </ul>

		<p>company has launched a number of containment actions and cost reduction drives to enhance internal efficiencies and improve operational excellence.</p> <ul style="list-style-type: none"> <li>• Your Company has taken conscious decisions to improve its EBDIT margins and not chase top line growth.</li> <li>• Obtained prepackaged plan approved from Hon. National Company Law Tribunal, Mumbai Bench</li> </ul>
3.	Expected increase in productivity and profits in measurable terms	<p>Productivity is expected to reach about 6000 MT * approx. and profitability is expected to be Rs. 2.00 Cr* approx.</p> <p>* The expected productivity and profitability is subject to economic conditions and price volatility.</p>

#### Annexure A

**Information required with respect to the appointment / re-appointment of a Director under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 issued by the Institute of Company Secretaries of India.**

Sr. No.	Particulars	Information	
1.	Resolution No.	4	5
2.	Name of the Director	Mr. Mukesh Ashar	Mr. Sudarshan Chokhani
3.	Designation	Whole-Time Director	Managing Director
4.	DIN	06929024	00243355
5.	Date of first appointment on the Board	December 8, 2014	September 1, 2015
6.	Age	69 years	69 years
7.	Qualifications	Member of the Institute of the Chartered Accountants of India	B. Com and Diploma EPS
8.	Brief resume	Since 2008 has been associated with Company managing finance and accountancy	Has been in the business of Aluminum since 1965 started carried on initially as agent of Hindalco Industries and then from 1980 set up Unit manufacturing for Aluminum Extrusions
9.	Experience	More than 36 years	More than 50 years
10.	Nature of expertise in specific functional areas	Handling of Accounts and Finance	Manufacturing and marketing of tailor-made products for end users, MNC and Large Business Houses
11.	Relationships between Directors, Manager or Key Managerial Personnel of the Company	Not Applicable	Father of Mr. Shyantanu Chokhani, Director
12.	Name of listed entities in which the Director holds Directorship	Not Applicable	Not Applicable

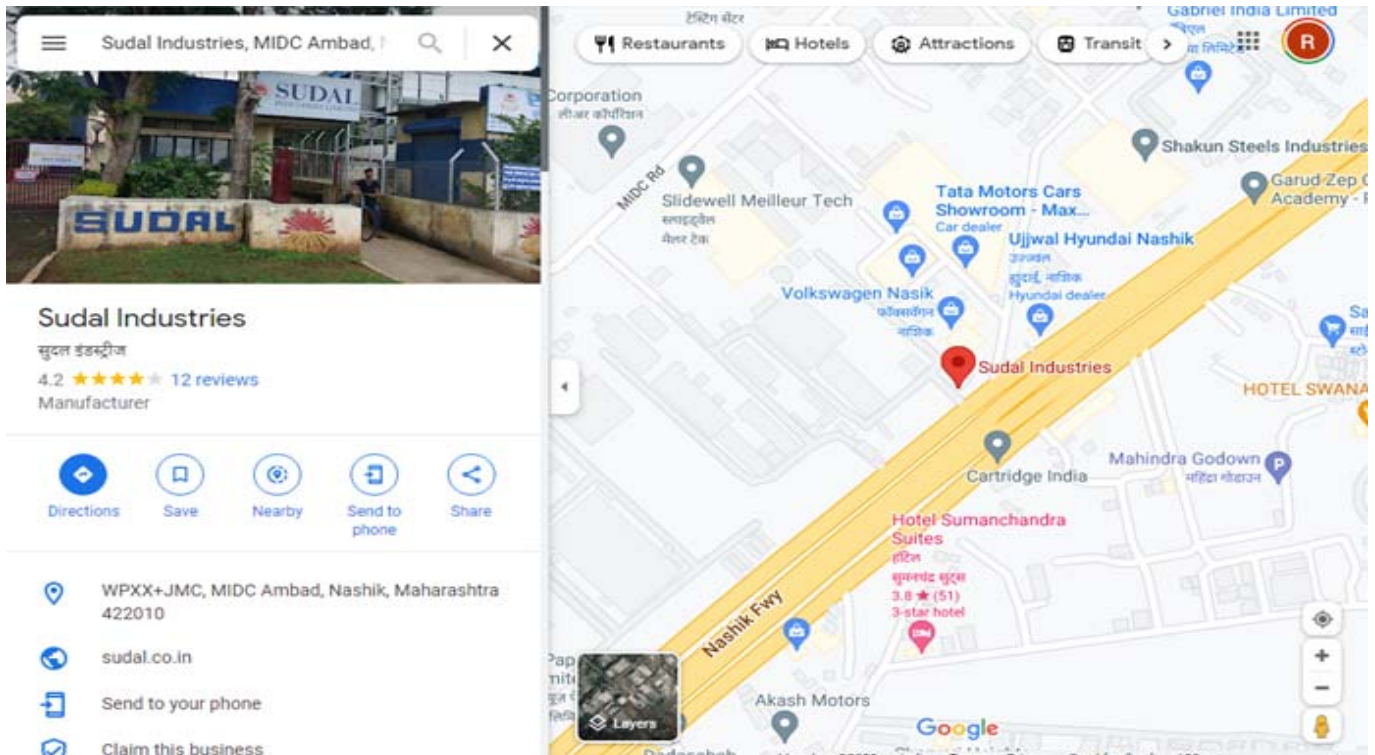
13.	Name of listed entities in which the Director holds Membership of Committees of the Board	Not Applicable	Not Applicable
14.	Name of listed entities in which the Director has resigned in the past three years	Not Applicable	Not Applicable
15.	Terms and conditions of appointment	For the period of 3 (Three) years from 8 <sup>th</sup> December, 2022 to 7 <sup>th</sup> December 2025, who shall be liable to retire by rotation.	For the period of 3 (Three) years from 1 <sup>st</sup> September, 2023 to August 31, 2026, who shall be liable to retire by rotation.
16.	Details of remuneration sought to be paid	Such remuneration as per the provisions of Section 188 read with Schedule V of the Companies Act, 2013	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	Rs. 71500 per month	Rs. 4,00,000 per month
18.	Shareholding in the Company	0	15,23,087
19.	Number of meetings of the Board Attended during the year	7	7

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

**Place: Mumbai  
Date: August 23, 2023**

**Sudarshan Chokhnai  
Managing Director  
DIN: 00243355**

**ROUTE MAP:**





# Directors Report

To  
The Members,  
Sudal Industries Limited

Your Directors present the Forty Fourth (44<sup>th</sup>) Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2023.

## FINANCIAL RESULTS:

The Company's performance during the year ended March 31, 2023 as compared to the previous Financial Year, is summarized below:

(Rs. in Lacs)

Particulars	For the financial year ended 31st March, 2023	For the financial year ended 31st March, 2022
<b>Total Revenue</b>	<b>16,170.72</b>	<b>12,905.27</b>
<b>Earnings before interest, depreciation and tax</b>	<b>-467.47</b>	<b>926.14</b>
Less: Interest and Finance Charges	2,382.96	2072.05
Less: Depreciation	239.24	275.98
<b>Profit/(Loss) Before Exceptional Item and Taxation</b>	<b>-3,089.66</b>	<b>-1421.90</b>
<b>Exceptional Item</b>	<b>-248.16</b>	<b>461.19</b>
Less: Provisions for Current Tax	0	0
Less: Provision for Deferred Tax	0	0
Less :Provision for tax for earlier year	0	0
<b>Profit/(Loss) after Tax</b>	<b>-3337.82</b>	<b>-960.71</b>
<b>Other comprehensive income</b>	<b>-10.32</b>	<b>5.10</b>
<b>Total comprehensive income for the year</b>	<b>-3327.51</b>	<b>-955.61</b>

## OPERATIONS AND RESULTS:

During the year under review, the revenue from operation was higher by 25% from Rs. 129.05 Crore to Rs.

161.17 Crore. However, due frequent price volatility, higher energy cost and above all one time loss of 10.86 Cr on discardation of old Dies, the Company suffered loss before Interest, Depreciation and Tax. Due to higher finance cost compared to previous financial year, resulted in loss during the year. During the year under review, loss of Rs.2.48 Cr on sale of one of non usable press added to high loss from operation. Resulting in to net loss after comprehensive income Rs,33.27 Cr.

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

The Company's application for Prepackage Insolvency Resolution plan was admitted by National Company Law Tribunal (NCLT) was admitted on 20/04/2023 and resolution plan accepted vide order dated 10/08/2023. In accordance with the terms of resolution plan , the Company has paid Rs.727500/- to unsecured financial creditors and Rs2384 95835/-to Canara Bank (secured financial creditors) . Now the balance of Rs5 Cr to be paid in four quarterly installments.

**DIVIDEND:**

Considering the loss in the current Financial Year and accumulated losses, the Board of Directors have not recommended any dividend for the Financial Year under review.

**TRANSFER TO RESERVES:**

In view of loss incurred during the year under review, 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.

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

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 Company has vide order dated August 10, 2023. received an approval of the Hon. National Company Law Tribunal, Mumbai Bench. Necessary actions have been initiated for implementation of the said Plan.

Except as disclosed elsewhere in this report, 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 orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future, except those stated in the Annual Report.

**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:**

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation. As per the provisions

of Section 152 of the Companies Act, 2013, Mr. Mukesh Ashar (DIN: 06929024), being longest in the office is liable to retire by rotation 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.

Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, subject to approval of members, have re-appointed Mr. Sudarshan Chokhani (DIN: 00243355) as the Managing Director of the Company, for a period of three years with effect from September 1, 2023, August 31, 2026. Necessary resolution for seeking approval of members for re-appointment of the Managing Director is included in the notice of Annual General Meeting.

Ms. Neha Dhuru (DIN: 08206406) resigned as an Independent Director of the Company w.e.f. from May 2, 2023.

Mr. Debasis Acharya was appointed as Chief Executive Officer of the Company with effect from June 01, 2022.

Except as above there are 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 seven (7) times during the Financial Year ended March 31, 2023 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 30, 2022
- July 05, 2022
- July 22, 2022
- September 23, 2022
- November 14, 2022 (adjourned and held on November 21, 2022)
- November 25, 2022
- February 14, 2023

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, 2023 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, 2023 and of the loss 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 reconstituted in accordance with the provisions of Section 178 of the Act.

The composition of the said Committee as on March 31, 2023 was as under:

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

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

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, 2023 comprised of:

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

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

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.

#### **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, 2023:

Sr. No	Particulars	Members
1	Mr Sudarshan S Chokhani	Executive Director (Chairman)
2	Mr. Jal Thanawala	Non-Executive Independent Director (Member)
3	Ms. Neha Dhuru *	Non-Executive Independent Director (Member).
4	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.

#### **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, 2023:**

The observations made by the Statutory Auditors in their report for the Financial Year ended March 31, 2023 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 43<sup>rd</sup> (Forty Third) Annual General Meeting the conclusion of the 48<sup>th</sup> (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, 2023:**

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 2022-23. Secretarial Audit Report issued by M/s Rathi and Associates in Form MR-3 for the Financial Year 2022-23 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, 2023 read with the explanatory notes therein are as follows:

- a) Pursuant to Regulation 29 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the prior intimation to stock exchange for the Board meeting held on July 22, 2022 was not submitted within the stipulated time period.

Management reply

The Company represented that the said delay was on account of technical glitches and the said delay was taken on record by the Stock Exchange.

- b) Pursuant to Regulation 33, Schedule III & BSE Circular No. DCS/COMP/28/2016-17 dated March 30, 2017 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial results for the quarter ended September 30, 2022 was not submitted within the stipulated time period."

Management reply

The Company has paid the necessary fine for the said delay as per Standard Operating Process stipulated by Securities and Exchange Board of India.

- c) 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 Company has initiated the steps to comply with the applicable provisions.

- d) Pursuant to the Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations 2015, the Company is required to maintain a Structured Digital Database ("**SDD**") and pursuant to the BSE Circular No. 20221028-15 dated October 28, 2022 and 20230329-21 dated March 29, 2023, the Company did not maintain a Structured Digital Database.

Management reply

The Company has installed necessary software as per the requirements and update the records in the said system.

**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 August 23, 2023 re-appointed M/s. Hemant Shah & Associates, Cost Accountants (Firm Reg. No. 000394), as the Cost Auditors of the Company for the Financial Year 2023-24 on a remuneration of Rs. 80000/- (Rupees Eighty Thousand 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 2022-23".

**b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure - VI** which forms part of this Report.

**c. 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.

**d. 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.

**e. 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 provides 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.

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION:**

Pursuant to the Pre-Packed Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016, the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions, thereof are as under:

Sr. No.	Name of the Bank	Total outstanding loan (in ₹)	Resolution amount (in ₹)
1.	Canara Bank	96,77,21,328	32,17,10,279



**DISCLOSURE UNDER SCHEDULE V OF THE COMPANIES ACT, 2013: CORPORATE GOVERNANCE:**

Sr. No.	Particulars	Mr. Sudarshan Chokhani (Managing Director)	Mr. Mukesh Ashar (Chief Financial Officer and Whole-Time Director)	Mr. Prasanna Ramdas (Company Secretary)	Mr. Debasis Acharya (Chief Executive Officer)
I.	Elements of remuneration				
1.	Salary	4,200,000	8,12,500	3,36,000	15,00,000
2.	Benefits	Nil	52,000	Nil	Nil
3.	Bonuses	Nil	35,000	Nil	Nil
4.	Stock Options	NA	NA	NA	NA
5.	Pension	NA	NA	NA	NA
II.	Additional Details				
1.	Details of fixed component	4,200,000	8,99,500	3,36,000	15,00,000
2.	Details of performance linked incentives along with the performance criteria	NA	NA	NA	NA
III.	Additional Details				
1.	Service Contracts	5 Years	3 years	NA	NA
2.	Notice Period	90 days	90 days	90 days	90 DAY
3.	Severance Fees	90 days Salary	90 days salary	90 days salary	90 daysalary
IV.	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	NA	NA	NA	NA

**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 & CFO  
DIN: 06929024

Date: August 23, 2023

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. 250000 PM from October, 2022 for 5 month and at the rate of Rs 2,75,000 PM from September 01 ,2022 to March 31,2023 with the option for renewal right for subsequent 22 months and 10% increasement every September in rent.

**Registered Office**

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

**Date: August 23, 2023**

**Place: Mumbai**

**For and 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 & CFO**  
**DIN: 06929024**

**ANNEXURE – II****MANAGEMENT AND DISCUSSION ANALYSIS****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Global economic overview:**

Global growth is projected to grow from \$168.84 billion in 2022 to \$255.21 billion by 2029, at a CAGR of 6.1% in the forecast period, 2022-2029. The global COVID-19 pandemic has been unprecedented and staggering, with aluminium experiencing lower-than-anticipated demand across all regions compared to pre-pandemic levels.

The Aluminium Extrusion market is expected to register fluctuating growth trends in the long term, while inflation and supply chain concerns are expected to continue in 2023. Shifting consumer preferences in a projected economic downturn scenario, amendments to industrial policies to align with growing environmental concerns, huge fluctuations in raw material costs triggered by prevailing geo-political tensions, and expected economic turbulences are noted as key challenges to be addressed by the Aluminium Extrusion industry players during the short and medium term forecast. Crude oil prices fluctuating to the tune of \$60/barrel in one year are emerging to be a key concern for the Aluminium Extrusion market, as fuel and chemical prices are impacting many other segments. Concern of global economic slowdown, the Impact of war in Ukraine, lockdowns in China with resurging COVID cases, and the Risks of stagflation envisaging numerous market scenarios are pressing the need for Aluminium Extrusion industry players to be more vigilant and forward-looking. Robust changes brought in by the pandemic COVID-19 in the Aluminium Extrusion supply chain and the burgeoning drive for a cleaner and sustainable environment are necessitating companies to alter their strategies. Dominating presence of major manufacturing sectors of aluminum extrusions in countries, such as China, India, Vietnam, Japan, and South Korea are positively influencing the demand for the same. China is projected to play a crucial part for increasing the sales of aluminum extrusion owing to its extensive construction sector. The Chinese government is planning to invest in transport and energy infrastructure. This, in turn, is likely to increase the demand for aluminum extrusion. Thus, Asia Pacific is expected to possess nearly 70% market share for aluminum extrusion. Resumption of industrial operations post-pandemic is projected to provide a push to the market growth. In addition, initiatives by government regarding economic development is expected to create lucrative opportunities for aluminum extrusion in North America.

**COVID-19 IMPACT**

During COVID-19 pandemic, extended lockdowns in key manufacturing industries such as construction, automotive, electronics, industrial machinery, and consumer appliances across all regions led to short-term production halts. Thus, demand for Aluminium from the industrial sector suddenly went down. Due to supply chain disruptions across key consuming countries across all regions, in 2020, the year-on-year growth rate of the global market considerably dropped as compared to 2019. Moreover, the demand for bauxite ore across all regions was significantly impacted due to shortage of raw material & inventory, short-term production halt, economic slowdown, trade restrictions, and changing consumer behavior with response to the COVID-19 outbreak and other reasons. The post-Covid-19 pandemic recovery is being hit by a potentially huge global supply shock that will reduce growth and push up inflation. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2023. A severe double-digit drop in GDP for Ukraine and a large contraction in Russia are more than likely, along with worldwide spill overs through commodity markets, trade, and financial channels. Even as the war reduces growth, it will add to inflation. Fuel and food prices have increased rapidly, with vulnerable populations—particularly in low-income countries—most affected. Elevated inflation will complicate the trade-offs central banks face between containing price pressures and safeguarding growth. Interest rates are expected to rise as central banks tighten policy, exerting pressure on emerging market and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. The invasion has contributed to economic fragmentation as a significant number of countries sever commercial ties with Russia and risks derailing the post-pandemic recovery. It also threatens the rules-based frameworks that have facilitated greater global economic integration and helped lift millions out of poverty. In addition, the conflict adds to the economic strains wrought by the pandemic.

**Global Aluminium Market Outlook:****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 aluminum market was evaluated at USD 112 billion in 2021 and is projected to register a CAGR of over 6% during the forecast period 2022-2027. Over the medium term, the major factor expected to drive the market studied includes increasing construction activities in the Asia-Pacific region. Growth in the electric vehicles market will likely provide new growth opportunities. On the flip side, the slowdown in the global automotive industry is expected to hinder the growth of the market in the forecast period 2022-2027. The Asia-Pacific region represents the largest market, and it is also expected to be the fastest-growing market over the forecast period due to increasing consumption from countries such as China, India, and Japan. Aluminum Market size reached USD 160 billion in 2022 and is poised to depict over 5% CAGR through 2023- 2032. The rising preference for aluminum packaging in the food and pharma sectors will propel the global market demand.

## Key Market Trends

Increasing Demand from the Building and Construction Industry; In the building and construction industry, aluminium is the second most widely used metal. It is extensively used in windows, curtain walls, roofing and cladding, solar shading, solar panels, railings, shelves, and other temporary structures. Increasing construction activity worldwide is one of the key factors driving the market studied in recent times. The Asia-Pacific construction sector is the largest globally, and it is growing at a healthy rate, owing to increases in the population, middle-class incomes, and urbanization. This has accelerated the demand for hotels, shopping malls, high-rise buildings, arenas, and stadiums (both outdoor and indoor), in turn boosting the construction industry and driving the demand for aluminium in the region. [EE] Annual Report 2022-23

## Corporate Overview

Asia-Pacific has the largest low-cost housing construction segment, led by China, India, and various Southeast Asian countries. China includes the largest construction market in the world, encompassing 20% of all construction investments globally. China is expected to spend nearly USD 13 trillion on buildings by 2030. In North America, the US is the largest market for residential construction and is one of the major growth

## markets in the world.

Almost 80% of individuals prefer single-family housing as an end goal, and almost 70% of people are executing this goal, thus, resulting in an increase in the number of houses being constructed every year. Overall, the recovering construction activities worldwide are expected to drive the demand for aluminium from the building and construction industry during the forecast period. The Indian electronics market is expected to reach USD 400 billion by 2025. Additionally, India is expected to become the world's fifth-largest consumer electronics and appliances industry by 2025. The Indian packaging industry is expected to grow at 22% during the forecast period. Moreover, the Indian packaging market is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% between 2020 and 2025. In Japan, it is estimated that by 2025, the retail sales in the packaged food market are expected to reach USD 204.5 billion, a growth of 3.6% or USD 7 billion. Such projected growth in the packaging industry will likely drive the demand for aluminum used as foils during the forecast period. Indian Aluminium & Aluminium Extrusion Market Outlook The India aluminium extrusion market size was valued at \$1.3 billion in 2019, and is projected to reach \$2.5 billion by 2027, growing at a CAGR of 8.3% from 2020 to 2027. Increase in demand for lightweight materials in various end-user industries is the major growth driver of the aluminium extrusion market in India. However, high capital cost and slow productivity of aluminium extrusion restricts the market growth. Based on product, anodised extrusion is expected to witness highest India aluminium extrusion market growth. This is attributed to high chemical resistance of anodized extrusion, which are becoming increasingly important for industrial applications. Due to the thick layer of aluminium oxide, it is highly resistant to corrosion. India has 400 die casting companies, making it one of the major suppliers of die cast parts in global market. Of these, over 25 units produce around 12000 tonnes of die cast parts per year. Aided by the 1.3 million tons of aluminium production, the Indian industry consumes over 0.28 million tons of die-castings. In general, the die casting market is highly correlative to automobile industry. Availability of skilled, cheaper labour force and the government incentives for small and medium scale industries, stringent emission norms, and favourable domestic environment for automobile industry is expected to drive die casting market in India.

## OPPORTUNITIES AND THREATS

### Opportunities -

Low 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. Success Drivers Integration:

**RISKS AND AREAS OF CONCERN**

The Company's capability to assess and manage business risks is crucial in achieving targets. In the current economic scenario, the Company perceives the following risks and concerns.

- a) **Market Competition:** The Company is operating in a highly competitive market as market dynamics are forever changing with entry of new players in the field of extrusion manufacturing. New players are targeting resellers consequently old players who were earlier in reseller markets are turning towards end users creating competition for the Company. With free market economy now prevailing in India, high quality imported extrusions are freely available in the local market. Hence unless Indian Extrusion Industry, particularly in the unorganized sector undertakes technological up-gradation in the foreseeable future, over next five years, this sector may be wiped out of the market by availability of cheaper and superior quality imported products.
- b) **Delay in clearances/approval by Govt. agencies:** There are delays in obtaining lease renewals for land mortgaged with financial institutions and banks. This adversely affects the financial facilities obtained from the Banks.
- c) **Competition from local manufacturers:** Some of the customers prefer local suppliers for faster deliveries. Further to compete with local suppliers, we have to sacrifice our margin to neutralize the effect of higher Freight and Central Sales Tax. We are located in a comparatively under-developed part of the country and the demand in this part is not good enough to account for our capacity. We have to sell a substantial quantity (over 70%) in other parts of India where our realization is lower compared to local supplies due to impact of the high freight and Central Sales Tax. d) **Retention of experienced manpower.** Company faces a challenge in retaining the trained work force. The Company has created employee friendly policies and a conducive environment for work life balance.
- e) **Price Inflation Risk:** Fluctuating raw material prices have been witnessed too often over the past few years. Continuous monitoring of aluminium metal inventory in order to get maximum benefit or alternatively to minimize loss by keeping ideal inventory levels in each circumstance is a major challenge, and this is regularly monitored at the highest level in the Company.

**RISK MANAGEMENT**

Your Company has a system based approach to business risk management. Backed by a strong internal control system, the current risk management framework consists of the following elements: A strong and independent Internal Audit Function carries out risk focused audits enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board reviews Internal Audit findings and provides strategic guidance on internal controls. The Audit Committee closely monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented. The Senior Management of the Company periodically reviews the risk management framework to effectively address the emerging challenges in a dynamic business environment.

The Company strives to identify opportunities that enhance Organizational values while managing & mitigating risks that can adversely impact its future performance.

**INTERNAL CONTROL SYSTEM**

The internal control systems and procedure are continuously monitored to enhance its effectiveness and to be commensurate with the scale and nature of its operations. The Audit Committee reviews compliance to the Revenue Recognition of the Company. Internal audit activities are undertaken as per the Annual Audit Plan as approved by the Audit Committee and the committee reviews compliance with the plan. The Audit Committee regularly meets with the statutory auditors to review their observations on the financial reports.

**DEVELOPMENT IN HUMAN RESOURCES & INDUSTRIAL RELATIONS**

The Company continues to maintain a cordial and healthy relationship with its workforce.

To attract and retain good employees in the company, we are ensuring the best place to work. All efforts are being made to control cost so as to maintain present level of profitability. Industrial relations remained stable throughout the financial year 2022-23.

**CAUTIONARY STATEMENT**

Statements forming part of the Management Discussion and Analysis covered in this report may be forwardlooking within the meaning of applicable securities laws and regulations. Actual results may differ materially

**Registered Office**

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

**Date: August 23, 2023**

**Place: Mumbai**

**For and 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 & CFO**  
**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.

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**Date: August 23, 2023**

**Place: Mumbai**

**For and 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 & CFO**  
**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. 2,50,000 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 2022-23, the percentage increase in remuneration of Director /KMP during the Financial Year 2022-23.

Sr. No.	Name of Director /KMP	Designation	Ratio of Remuneration of each Director to median remuneration of Employees	Percentage Increase in Remuneration
1.	Mr. Sudarshan S Chokhani	Managing Director	2.12:1	
2.	Mr. Mukesh V Ashar	Whole-time Director and CFO	5.38	10% Prorata for 8 months
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	12.50	NA
8.	Debasis Acharya	Chief Executive Officer	2.80	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. 2022-23 there was no increase in the median remuneration of employees except renewal of wage package of workers.

IV. The Company has 118 permanent Employees on the rolls of Company as on March 31, 2023.

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, 2023 was Rs 539 Lakhs as compared to Rs 482 lakhs as on March 31, 2022. The price-earning ratio of the Company was -0.39 as at March 31, 2023 and was (-0.35) at March 31, 2022. The closing share price of the Company at BSE limited as on March 31, 2023 being Rs. 5.91 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

**Date: August 23, 2023**

**Place: Mumbai**

**For and 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 & CFO**  
**DIN: 06929024**

**ANNEXURE – V****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

*[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, 2023, 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, 2023, 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 29 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the prior intimation to stock exchange for the Board meeting held on July 22, 2022 was not submitted within the stipulated time period.
- b) Pursuant to Regulation 33, Schedule III & BSE Circular No. DCS/COMP/28/2016-17 dated March 30, 2017 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial results for the quarter ended September 30, 2022 was not submitted within the stipulated time period.
- c) 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;
- d) Pursuant to the Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations 2015, the Company is required to maintain a Structured Digital Database ("SDD") and pursuant to the BSE Circular No. 20221028-15 dated October 28, 2022 and 20230329-21 dated March 29, 2023, the Company did not adequately maintained Structured Digital Database.

**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**

**Date: August 21, 2023  
Place: Mumbai**

**P.R. CERTIFICATE NO. 668/2020  
UDIN: F005637E000832474**

Note: This report should be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

**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**

**Date: August 21, 2023  
Place: Mumbai**

**P.R. CERTIFICATE NO. 668/2020  
UDIN: F005637E000832474**

**ANNEXURE VI****CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A. Conservation of Energy****2022-23**

i)	Steps taken or impact on conservation of energy	<b>NIL</b>
ii)	Steps taken by the Company for Utilizing alternative source of energy	<b>NIL</b>
iii)	Capital Investment on energy conservation equipment	<b>Nil</b>

**B. Technology absorption**

i)	Efforts made towards technology absorption	<b>NIL</b>
ii)	Benefits derived (like product improvement, cost reduction, product development or import substitute )	<b>NIL</b>
	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :	
a)	details of technology imported	
b)	the year of import	
c)	whether the technology has been fully absorbed	
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof, and	
iv).	Expenditure incurred on research and development	<b>Nil</b>

**C. Foreign Exchange earnings and out go:**

	USD (Rs in Lakhs)	<b>14591</b>
	EARNED (RS in lakhs)	<b>10</b>

**Registered Office**

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

**Date: August 23, 2023****Place: Mumbai****For and 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 & CFO**  
**DIN: 06929024**

# 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, 2023, 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 significant 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, 2023, its loss (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 and its net worth stands fully eroded. It has submitted a Prepackage Insolvency Resolution Plan (PIRP) to Hon'ble NCLT, Mumbai which was admitted under Section 54C of the Insolvency & Bankruptcy Code 2016 ("Code") vide its Order dated April 20, 2023 and moratorium has been declared under Section 14 of the Code w.e.f. April 20, 2023, Resolution professional has been appointed and Committee of Creditors have been formed under the Code.

As per Section 54H of the Code, the management vests with the Company and accordingly it has been allowed to continue its operations. Besides, it is confident to receive favorable acceptance of resolution plan submitted by the Company under the Code resulting in settlement with lenders and consequent ease of operations. Accordingly, management believes that it is appropriate to prepare these financial statements on a going concern basis. (Refer note 41)

### 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.

### Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, Business responsibility report, Corporate Governance report and Management Discussion and Analysis, but does not include the financial statement and our auditor's report



thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As explained, Directors report and other information is yet to be prepared & approved and therefore, we have nothing to report in this regard.

### **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is 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 management 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 Statements**

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

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 statements, 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 management.

- Conclude on the appropriateness of management's 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 entity'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 statements 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the financial statement and our report on the other legal and regulatory requirements below is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - (e) On the basis of the written representation received from the directors as on March 31, 2023, taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".

- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197(16) of the Act:
- (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial performance in its financial statements. [Refer note 37 to financial statements]
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no amounts which is required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of their knowledge and belief, no funds other than disclosed in the financial statements (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. [Refer note 50 to financial statements]
    - b) The management has represented, that, to the best of their knowledge and belief, no funds other than disclosed in the financial statements (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. [Refer note 51 to financial statements]
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
  - V. The Company has not declared or paid dividend during the financial year 2022-23 and hence reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

Place: Mumbai  
Date: May 26, 2023

For **BAGARIA & CO. LLP**  
Chartered Accountants  
Firm Registration No. **113447W/W-100019**

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 23143503BGWEMG9461

**Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the Members of Sudal Industries Limited for the year ended March 31, 2023 :**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i. a. In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets:
    - A. The Company has maintained proper records, showing full particulars, including quantitative details and situation of PPE.
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - b. The Company has physically verified all its PPE during the year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements included under property, plant and equipment, (other than properties where the company is lessee and lease agreements are duly executed in favour of the Company), are held in the name of the Company.
  - d. The Company has not revalued any of its PPE and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
  - e. According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, neither any proceedings have been initiated during the year nor are pending as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company. [Refer note 45 to financial statements]
- ii. a. The inventories have been physically verified by the management at reasonable intervals during the year. The procedures of physical verification of the inventories followed by the management and its coverage is reasonable and adequate in relation to the size of the Company and nature of its business. As per the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.
  - b. According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company has been sanctioned working capital limit in excess of Rs 5 crores which has become overdue for quite some time. As explained, quarterly returns or statements has not been filed due to pending settlement with such banks (Refer note 41). The Company has not been sanctioned working capital limits in excess of Rs 5 crore, in aggregate from financial institutions on the basis of security of current assets.
- iii. In respect of Investments made provision of guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
    - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clause 3(iii)(a) is not applicable to the Company.
    - (b) According to the information and explanations given to us, the Company has not made investment and hence reporting under clause 3(iii)(b) is not applicable to the Company.
    - (c) The Company has not granted any loans or advances in the nature of loans during the year and hence reporting under clauses 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.
  - iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not made investments, granted any loans, provided guarantee and security under Section 185 and 186 of the Act, to the extent applicable and hence reporting under clause 3(iv) of the Order is not applicable to the Company.

- v. In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to rules made by the central government for the maintenance of cost records under sub section 1 of Section 148 of the Act in respect of company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we are not required and therefore, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues mentioned in clause vii (a) above which have been not deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which it relates	Forum where dispute is pending
Goods and Service Tax Act, 2017	Central and State Goods and Service Tax, Interest and penalty	36.25	Financial Year 2018-19	The Joint Commissioner (Appeals) of SGST (Large Tax payer Unit-2)

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the order is not applicable to the Company. [Refer note 49 to financial statements]
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, following default in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders:

Rs in lakhs

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid upto March 31, 2023	Remarks, if any
Term Loans/ Cash Credit	Canara Bank (erstwhile Syndicate Bank)	3,240.74	Principal	3103 days (Since October 1 2014)	Refer note 40 and 41 of the financial statements
Term Loans/ Cash Credit	Canara Bank (erstwhile Syndicate Bank)	8,473.73	Interest		
Inter-Corporate Deposits	Various Parties	3,360.17	Principal including interest capitalised	2372 days (Since October 1, 2016)	

- (b) On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender. [Refer note 47 to financial statements]
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any term loan during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

- (d) According to the information and explanations given to us and based on our examination of the records of the Company, short term funds of Rs. 355.84 lakhs have been utilized for long term purposes to purchase plant and equipment.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company does not have subsidiary, joint venture and associate and hence reporting under clause 3(ix)(e) of the Order in respect of funds taken from any entity or person on account of or to meet the obligations of subsidiary, joint venture and associate, is not applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, the Company does not have subsidiary, joint venture and associate and hence reporting under clause 3(ix)(f) in respect of funds raised on the pledge of securities held in its subsidiary, joint venture and associate, is not applicable to the Company.
- x. (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard. (Refer note 39 to the financial statements)
- xiv. (a) According to the information and explanations given to us and based on our examination of the records of the Company, internal audit system needs to be strengthened in the areas such as receivable management/payable management and human resource to commensurate with the size and nature of its business. As explained by the management, the Company is taking necessary steps to cover in the scope aforesaid areas to strengthen the Internal audit system.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of Rs. 1944.09 lakhs during the financial year covered by our audit and in the immediately preceding financial year of Rs. 1151.67 lakhs.

- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans we draw your attention to para "Material uncertainty related to Going Concern" of our auditors report that material uncertainty exist in respect of going concern as on the date of the audit report. However, management feels that the acceptance of settlement plan by the bank and unsecured lenders as referred in note 41 of the financial statements. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, there are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

For **BAGARIA & CO. LLP**  
Chartered Accountants  
Firm Registration No. **113447W/W-100019**

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 23143503BGWEMG9461

Place: Mumbai  
Date: May 26, 2023

**Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the Members of Sudal Industries Limited for the year ended March 31,2023:****Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Sudal Industries Limited** (“the Company”) as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management;(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity’s assets that could have a material effect on the financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**



In our opinion, to the best of our information and according to the explanations given to us, the Company has, broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BAGARIA & CO. LLP**  
Chartered Accountants  
Firm Registration No. **113447W/W-100019**

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 23143503BGWEMG9461

Place: Mumbai  
Date: May 26, 2023

# Balance Sheet as at 31st March, 2023

Rs. in Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>(1) NON - CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	3,225.02	3,974.29
(b) Capital work in progress	3	30.14	213.97
(c) Intangible Assets under Development	4	31.08	-
(d) Financial assets			
(i) Investments	5	0.08	0.08
(ii) Other financial assets	6	10.14	10.14
(e) Income Tax Assets	7	86.90	86.12
(f) Other non-current assets	8	412.60	446.96
		<b>3,795.96</b>	<b>4,731.56</b>
<b>TOTAL NON - CURRENT ASSETS</b>			
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	9	1,032.33	1,179.49
(b) Financial assets			
(i) Trade receivables	10	1,031.84	881.98
(ii) Cash & Cash equivalents	11	159.18	209.84
(iii) Other bank balances	12	53.23	51.15
(iv) Other financial assets	13	1.00	2.62
(c) Other current assets	14	75.74	75.45
		<b>2,353.32</b>	<b>2,400.53</b>
<b>TOTAL CURRENT ASSETS</b>			
<b>TOTAL ASSETS</b>			
<b>6,149.28</b>			
<b>7,132.09</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	736.78	736.78
Other Equity		(11,029.70)	(7,702.19)
<b>TOTAL EQUITY</b>			
<b>(10,292.92)</b>			
<b>LIABILITIES</b>			
<b>(1) NON - CURRENT LIABILITIES</b>			
<b>Financial liabilities</b>			
Other financial liabilities	16	<b>65.01</b>	<b>22.26</b>
Provisions	17	136.20	<b>134.28</b>
		<b>201.21</b>	<b>156.54</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Trade Payables	18		
- Total Outstanding Dues of Micro and small enterprises		-	-
- Total Outstanding Dues of Creditors other than Micro and small enterprises		972.06	913.40
(ii) Other financial liabilities	19	15,074.64	12,733.90
(b) Other Current liabilities	20	140.85	228.44
(c) Provisions	21	53.44	65.22
<b>TOTAL CURRENT LIABILITIES</b>			
<b>16,240.99</b>			
<b>13,940.96</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>6,149.28</b>			
<b>7,132.09</b>			
<b>Significant Accounting Policies</b>			
1			
<b>The accompanying notes are an integral part of the financial statements</b>			
2 to 53			

As per our report of even date  
For **BAGARIA and CO. LLP**  
Chartered Accountants  
FRN - 113447W/W-100019

**Vinay Somani**  
Partner

Mumbai, May 26, 2023

## Signatures to Notes 1 to 53

For and on behalf of the Board of Directors

**Sudarshan S. Chokhani**  
Managing Director  
(DIN : 00243355)

**Mukesh V. Ashar**  
Whole time Director & CFO  
(DIN : 06929024)

**Debasis Acharya**  
Chief Executive Officer

Mumbai, May 26, 2023

**Prasana Ramdas**  
Company Secretary  
M. No.ACWPR8066P

## Statement of Profit and Loss for the Year Ended March 31, 2023

Rs. in Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	22	15,985.39	12,894.42
Other income	23	185.33	10.85
<b>Total Income</b>		<b>16,170.72</b>	<b>12,905.27</b>
<b>EXPENSES</b>			
Cost of materials consumed	24	12,739.99	10,071.54
Changes in inventories of finished goods, work-in-progress and traded goods	25	385.25	(36.11)
Employee benefits expense	26	476.48	425.42
Finance costs	27	2,382.96	2,072.05
Depreciation and amortisation expense	28	239.24	275.98
Other expenses	29	3,036.47	1,518.29
<b>Total Expenses</b>		<b>19,260.38</b>	<b>14,327.17</b>
<b>Net Profit/(Loss) for the year Before Exceptional items and Tax</b>		<b>(3,089.66)</b>	<b>(1,421.90)</b>
Exceptional items -net	30	(248.16)	461.19
<b>Net Profit/(Loss) for the year Before Tax</b>		<b>(3,337.82)</b>	<b>(960.71)</b>
<b>Tax Expense</b>	31		
Current Tax	-	-	-
Deferred Tax	-	-	-
<b>Net Profit/(Loss) for the year after tax</b>		<b>(3,337.82)</b>	<b>(960.71)</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>Items that will not be reclassified subsequently to Profit or loss</b>			
Gain/(loss) on Remeasurement of net defined benefit plans		(10.32)	5.11
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(10.32)</b>	<b>5.11</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(3,327.51)</b>	<b>(955.60)</b>
<b>EARNINGS PER SHARE</b>	36		
Basic & Diluted Earning Per Share (Face value of Rs. 10 each)		(45.30)	(13.04)
<b>Significant Accounting Policies</b>	1		
<b>The accompanying notes are an integral part of the financial statements</b>	2 to 53		

As per our report of even date  
For **BAGARIA and CO. LLP**  
Chartered Accountants  
FRN - 113447W/W-100019

**Vinay Somani**  
Partner

Mumbai, May 26, 2023

### Signatures to Notes 1 to 53

For and on behalf of the Board of Directors

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Managing Director  
(DIN : 00243355)

**Mukesh V. Ashar**  
Whole time Director & CFO  
(DIN : 06929024)

**Debasis Acharya**  
Chief Executive Officer

Mumbai, May 26, 2023

**Prasana Ramdas**  
Company Secretary  
M. No.ACWPR8066P

## Cash Flow Statement for the year ended March 31, 2023

Rs. in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A Cash flow from Operating Activities:</b>		
Net Profit/(loss) as per statement of profit & loss before tax after exceptional item	(3,337.82)	(960.71)
<b>Add: Adjustments for :</b>		
Depreciation & amortisation expenses	239.24	275.98
Finance cost	2,382.96	1,610.86
Provision for doubtful debts provided for	8.05	-
Provision for government claims receivables	248.16	-
Interest Income	(2.97)	-
Liabilities no longer payable written back	(71.83)	(10.85)
(Profit)/Loss on sale/discard of Property, Plant and Equipment	1,076.85	92.36
<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>542.63</b>	<b>1,007.64</b>
<b>Adjustments for changes in Working Capital :</b>		
Trade Receivables	(157.91)	(98.88)
Financial assets -current and non current	(0.75)	-
Other assets - current and non current	(193.13)	(221.91)
Inventories	147.16	(41.42)
Trade Payable	130.48	(170.36)
Other financial liabilities	42.75	72.67
Other current liabilities	(87.59)	-
Provisions	0.46	-
<b>Cash generated from Operations</b>	<b>424.11</b>	<b>547.74</b>
Income Taxes Refund/(Paid )-net	(0.78)	(7.64)
<b>Net cash from/(used in) Operating Activities - A</b>	<b>423.33</b>	<b>540.10</b>
<b>B Cash flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(439.07)	(369.41)
Capital Advance	(20.02)	-
Sale of Property Plant and Equipment	25.00	-
Interest received (other than Investment)	2.32	-
<b>Net Cash from/(used in) Investing Activities - B</b>	<b>(431.77)</b>	<b>(369.41)</b>
<b>C Cash flow from Financing Activities:</b>		
Payment towards One time settlement	-	(56.58)
Finance cost paid	(42.22)	-
<b>Net cash from/(used in) Financing Activities - C</b>	<b>(42.22)</b>	<b>(56.58)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(50.66)</b>	<b>114.11</b>
Opening Cash and Cash Equivalents	209.84	95.73
<b>Closing Cash and Cash Equivalents</b>	<b>159.18</b>	<b>209.84</b>

As per our report of even date  
For **BAGARIA and CO. LLP**  
Chartered Accountants  
FRN - 113447W/W-100019

**Vinay Somani**  
Partner

Mumbai, May 26, 2023

### Signatures to Notes 1 to 53

For and on behalf of the Board of Directors

**Sudarshan S. Chokhani**  
Managing Director  
(DIN : 00243355)

**Mukesh V. Ashar**  
Whole time Director & CFO  
(DIN : 06929024)

**Debasis Acharya**  
Chief Executive Officer

Mumbai, May 26, 2023

**Prasana Ramdas**  
Company Secretary  
M. No.ACWPR8066P

## Statement of Changes in Equity for the year ended March 31, 2023

### A. EQUITY SHARE CAPITAL :

Rs in Lakhs

#### As at March 31, 2023

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting period
736.78	-	736.78	-	736.78

#### As at March 31, 2022

Balance at the beginning of the previous reporting year	Changes in equity share capital due to prior period errors	Balance at the beginning of the current reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
736.78	-	736.78	-	736.78

### B. OTHER EQUITY :

Particulars	Reserves and Surplus				Other Comprehensive Income	
	Securities Premium-on issue of equity shares	Capital Reserve (Surplus arising on revaluation of PPE prior to April 1, 2016)	Retained earnings	Revaluation Reserve	Remeasurement of net defined benefit plans	Total
Balance as at March 31, 2021	325.00	454.85	(7,812.35)	274.77	11.15	(6,746.58)
Reveluation Reserve Transferred to Capital Reserve	-	274.77	-	(274.77)	-	-
Add :Loss for the year	-	-	(960.71)	-	-	(960.71)
Add :Other Comprehensive Income for the year	-	-	-	-	5.11	5.11
Balance as at March 31, 2022	325.00	729.62	(8,773.06)	-	16.26	(7,702.19)
Balance as at March 31, 2022	325.00	729.62	(8,773.06)	-	16.26	(7,702.19)
Add :Profit for the year	-	-	(3,337.82)	-	-	(3,337.82)
Add :Other Comprehensive Income for the year	-	-	-	-	10.32	10.32
Balance as at March 31, 2023	325.00	729.62	(12,110.89)	-	26.58	(11,029.70)

**Nature and purpose of reserves :** Capital Reserve : Capital Reserve comprises of Revaluation Reserve on land and buidling of Rs 274.77 lakhs and Government Grants of Rs. 454.85 lakhs given for enhancement of capacity & employment has been recognised as Capital Reserve.

Security Premium : The amount received in excess of face value of preferential shares to promoters is recognised in Securities Premium Reserve.

#### Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements

2 to 53

As per our report of even date  
For **BAGARIA and CO. LLP**  
Chartered Accountants  
FRN - 113447W/W-100019

**Vinay Somani**  
Partner

Mumbai, May 26, 2023

#### Signatures to Notes 1 to 53

For and on behalf of the Board of Directors

**Sudarshan S. Chokhani**  
Managing Director  
(DIN : 00243355)

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(DIN : 06929024)

**Debasis Acharya**  
Chief Executive Officer

**Prasana Ramdas**  
Company Secretary  
M. No.ACWPR8066P

Mumbai, May 26, 2023

# Notes to the financial statements for the year ended March 31, 2023

## 1 Statement of significant accounting policies and practices:

### I. Background and Operations

Sudal Industries Limited ("the company") is a public limited company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE)- CIN : L21541MH1979PLC021541.

The registered office of the Company is located at A-5, MIDC, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010 (Maharashtra).

The Company is engaged in the manufacturing of Aluminium Extrusions and Aluminium based Alloys. The Products are made by melting of Aluminium Ingots into Alloy Billets and further extruded to manufacture extrusions.

### II. Significant accounting policies

#### (a) Basis of preparation of Financial Statements

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

##### (ii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013. Transaction and balances with values have been rounded off in Lakhs. Due to rounding off , the number presented through out the fiancial statement may not add up precisely reflect the abosolute figure.

#### (b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

##### (i) Contingent liabilities and contingent assets

**Contingent liabilities :** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**Contingent assets :** Contingent assets are neither recognised or disclosed in the financial statements.

##### (ii) Measurement of defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans and include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

## Statement of Changes in Equity for the year ended March 31, 2023

### (c) Property, plant and equipment

Leasehold Land, Buildings, Plant and Machinery and Electrical Installations are stated at deemed cost less depreciation and impairment, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Other Assets are stated at deemed cost less depreciation.

#### Depreciation methods, estimated useful lives and residual value

- (i) Leasehold land is under lease arrangement for a period of 99 years commencing from May,1980 to April,2079.
- (ii) On Buildings, depreciation is provided on straight line method at the useful life specified in Schedule II to the Companies Act,2013.
- (iii) On plant and equipment, the depreciation is provided as per the life specified for continuous Industrial unit in Schedule II to Companies Act, 2013.
- (iv) On vehicles, Furniture & Fixtures and Office Equipments, depreciation is provided on written down value method as per the life specified in Schedule II to Companies Act, 2013.

### (d) Intangible assets

#### Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

#### Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 2-3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### (f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

### (g) Trade receivables

Trade receivables are recognised at the value of sales less provision for doubtful debt and expected credit loss.

### (h) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated at cost or net realisable value, whichever is lower'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'First in First Out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

### (i) Investments and other financial assets

#### (i) Classification

## Notes to the financial statements for the year ended March 31, 2023

The Company classifies its financial assets in the following measurement categories:

\* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss): and

\* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its cost /fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

\* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

\* **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

\* **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

### (iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### (j) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest



## Statement of Changes in Equity for the year ended March 31, 2023

method.

### (k) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

### (l) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

### (m) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

#### Sale of goods

Revenue from the sale of goods is recognised when the control of the goods passes to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims/ Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue.

#### Revenue from services

Conversion job income is accounted for on the completion of the job.

#### Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

#### Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

### (n) Employee benefits

Defined contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

**Defined Benefit Plans** - The present value of the obligation which is not funded under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account.

Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more

## Notes to the financial statements for the year ended March 31, 2023

than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

### (o) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

### (p) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### (q) Earnings Per Share

#### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (r) Government Grants

## Notes to the financial statements for the year ended March 31, 2023

### Grants and subsidies from the government are recognized if the following conditions are satisfied:

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants or subsidies given with reference to the total investment in an undertaking or setting up of new industrial undertaking is treated as capital receipt and credited to capital reserve. The said capital reserve will not be available for distribution of dividend nor is considered as deferred income.

### (s) Leases

**Lease policy** The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use assets ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### RECENT INDIAN ACCOUNTING STANDARDS (IND AS) Ministry of Corporate affairs (MCA) has notified new standards or amendment to the existing standards :

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

#### Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

#### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

#### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty

The Company is in the process of evaluating the impact of these amendments

## Notes to the financial statements for the year ended March 31, 2023

Rs. in Lakhs

### 2 Property, Plant and Equipment (PPE)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles (Refer note c below)	Office Equipment	Total
<b>Gross carrying amount</b>								
<b>Balance as at March 31, 2021</b>	<b>38.71</b>	<b>172.57</b>	<b>800.32</b>	<b>4,434.86</b>	<b>3.72</b>	<b>22.55</b>	<b>7.19</b>	<b>5,479.92</b>
Additions	-	-	18.33	129.16	-	7.80	0.15	155.44
Deductions	-	-	-	184.71	-	-	-	184.71
Adjustment	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>38.71</b>	<b>172.57</b>	<b>818.65</b>	<b>4,379.31</b>	<b>3.72</b>	<b>30.35</b>	<b>7.34</b>	<b>5,450.65</b>
<b>Accumulated Depreciation</b>								
<b>Balance as at March 31, 2021</b>	-	<b>9.62</b>	<b>160.70</b>	<b>1,101.08</b>	<b>2.45</b>	<b>16.06</b>	<b>2.82</b>	<b>1,292.72</b>
Additions	-	2.79	32.14	239.08	0.12	1.67	0.17	275.98
Deductions/ Adjustments	-	-	-	92.35	-	-	-	92.35
<b>Balance as at March 31, 2022</b>	-	<b>12.41</b>	<b>192.84</b>	<b>1,247.81</b>	<b>2.57</b>	<b>17.73</b>	<b>2.99</b>	<b>1,476.35</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>38.71</b>	<b>160.16</b>	<b>625.81</b>	<b>3,131.50</b>	<b>1.15</b>	<b>12.62</b>	<b>4.35</b>	<b>3,974.30</b>
<b>Gross carrying amount</b>								
<b>Balance as at March 31, 2022</b>	<b>38.71</b>	<b>172.57</b>	<b>818.65</b>	<b>4,379.31</b>	<b>3.72</b>	<b>30.35</b>	<b>7.34</b>	<b>5,450.65</b>
Additions	-	-	-	586.97	-	3.90	0.95	591.82
Deductions (Refer note 29.2)	-	-	-	2,136.66	-	-	-	2,136.66
Adjustment	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>38.71</b>	<b>172.57</b>	<b>818.65</b>	<b>2,829.62</b>	<b>3.72</b>	<b>34.25</b>	<b>8.29</b>	<b>3,905.81</b>
<b>Accumulated Depreciation</b>								
<b>Balance as at March 31, 2022</b>	-	<b>12.41</b>	<b>192.84</b>	<b>1,247.81</b>	<b>2.57</b>	<b>17.73</b>	<b>2.99</b>	<b>1,476.35</b>
Additions	-	2.79	32.72	199.32	0.05	3.91	0.45	239.24
Deductions/ Adjustments (Refer note 29.2)	-	-	-	1,034.81	-	-	-	1,034.81
<b>Balance as at March 31, 2023</b>	-	<b>15.20</b>	<b>225.56</b>	<b>412.32</b>	<b>2.62</b>	<b>21.64</b>	<b>3.44</b>	<b>680.78</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>38.71</b>	<b>160.16</b>	<b>625.81</b>	<b>3,131.50</b>	<b>1.15</b>	<b>12.62</b>	<b>4.35</b>	<b>3,974.29</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>38.71</b>	<b>157.37</b>	<b>593.09</b>	<b>2,417.29</b>	<b>1.10</b>	<b>12.61</b>	<b>4.85</b>	<b>3,225.02</b>

#### NOTES:

- Refer Note 40 for the details in respect of certain property, plant and equipments hypothecated/mortgaged as security for borrowings.
- Leasehold land is under lease arrangement for a period of 99 years commencing from May,1980.
- These vehicles are held in the name of the directors on behalf of the Company

### 3 Capital work in Progress ageing :

Rs in lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 years	Total
<b>As at March 31, 2023</b>				
Projects in progress-Building under construction	30.14	-	-	30.14
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>30.14</b>	<b>-</b>	<b>-</b>	<b>30.14</b>
<b>As at March 31, 2022</b>				
Projects in progress-Plant and Equipment under installation	213.97	-	-	213.97
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>213.97</b>	<b>-</b>	<b>-</b>	<b>213.97</b>

## Notes to the financial statements for the year ended March 31, 2023

### 4 Intangible assets under development ageing :

Rs in lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 years	Total
<b>As at March 31, 2023</b>				
Projects in progress-Software	31.08	-	-	31.08
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>31.08</b>	<b>-</b>	<b>-</b>	<b>31.08</b>
<b>As at March 31, 2022</b>				
Projects in progress-Software	-	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 5 NON CURRENT INVESTMENTS

Numbers

Rs. in Lakhs

	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>EQUITY SHARES FULLY PAID UP</b>				
<b>Long Term Unquoted and at Cost</b>				
<b>In Other Body Corporates</b>				
The Jankalyan Sahakari Bank Limited @ Rs.10 each	100	100	0.01	0.01
Nashik Merchants Co.op.Bank Limited @ Rs.10 each	400	400	0.04	0.04
Kalyan Janata Sahakari Bank Limited @ Rs.10 each	250	250	0.03	0.03
<b>Total</b>			<b>0.08</b>	<b>0.08</b>
Aggregate carrying value of Unquoted investments (cost)			0.08	0.08
Provision for diminution in value of unquoted Investments -Others			-	-

Rs. in Lakhs

6 NON CURRENT -OTHER FINANCIAL ASSETS	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered good :</b>		
Balances with bank (Operation denied)*	10.14	10.14
<b>Total</b>	<b>10.14</b>	<b>10.14</b>

Rs. in Lakhs

7 INCOME TAX ASSETS	As at March 31, 2023	As at March 31, 2022
Payment of Tax (Net of Provision of Rs.Nil Lakhs; as at March 31, 2022 Rs. Nil )	86.90	86.12
<b>Total</b>	<b>86.90</b>	<b>86.12</b>

## Notes to the financial statements for the year ended March 31, 2023

Rs. in Lakhs

<b>8 OTHER NON CURRENT ASSETS</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured considered good</b>		
Deposit with Government/ Semi-Government Authorities	64.86	46.08
Capital Advance	20.02	-
Deposit with a court for an employee gratuity	2.72	2.72
Advance towards One Time Settlement (Refer note 41)	325.00	150.00
<b>Unsecured considered Doubtful</b>		
Deposit with Government/ Semi-Government Authorities	2.05	-
Less : Provision for doubtful receivable	(2.05)	-
Claim receivable (Refer note no. 30)	190.00	190.00
Octroi duty receivable (Refer note no. 30)	58.16	58.16
Less : Provision for doubtful receivable	(248.16)	-
<b>Total</b>	<b>412.60</b>	<b>446.96</b>

Rs. in Lakhs

<b>9 INVENTORIES*</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Raw Materials	316.10	103.44
Work-in-progress (WIP)	329.46	801.11
Finished Goods (FG)-	233.16	146.77
Stores, Spare parts and consumables	153.61	128.17
<b>Total</b>	<b>1,032.33</b>	<b>1,179.49</b>

Rs. in Lakhs

<b>10 TRADE RECEIVABLES</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Unsecured, considered good	1,031.84	881.98
Unsecured, considered doubtful	-	-
Trade receivables which have significant increase in credit risk	31.57	28.28
Trade receivables Credit impaired	-	-
	<b>1,063.41</b>	<b>910.26</b>
Less: Provision for doubtful trade receivables	(31.57)	(28.28)
<b>Total</b>	<b>1,031.84</b>	<b>881.98</b>

## Statement of Changes in Equity for the year ended March 31, 2023

### 10.1 Trade receivables ageing schedule :

Particulars	As at March 31, 2023						
	Outstanding for following periods from due date of transactions						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,031.84	-	-	-	-	1,031.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.19	5.57	18.51	1.86	5.44	31.57
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Sub-total	-	1,032.03	5.57	18.51	1.86	5.44	1,063.41
Less : Provision for doubtful debts in respect of credit impaired	-	0.19	5.57	18.51	1.86	5.44	31.57
<b>Total</b>	-	<b>1,031.84</b>	-	-	-	-	<b>1,031.84</b>

Particulars	As at March 31, 2022						
	Outstanding for following periods from due date of transactions						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	881.98	-	-	-	-	881.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	10.58	2.25	-	15.45	28.28
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Sub-total	-	881.98	10.58	2.25	-	15.45	910.26
Less : Provision for doubtful debts in respect of credit impaired	-	-	10.58	2.25	-	15.45	28.28
<b>Total</b>	-	<b>881.98</b>	-	-	-	-	<b>881.98</b>

## Notes to the financial statements for the year ended March 31, 2023

Rs. in Lakhs

<b>11 CASH AND CASH EQUIVALENTS</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Balance with banks</b>		
in current accounts	158.91	201.21
In Deposit Account	-	8.25
Cash on Hand	0.27	0.38
<b>Total</b>	<b>159.18</b>	<b>209.84</b>

Rs. in Lakhs

<b>12 OTHER BANK BALANCES</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Fixed Deposit with Banks under lien for gurantees issued in favour of Pollution	53.23	51.15
Control Board etc.		
<b>Total</b>	<b>53.23</b>	<b>51.15</b>

Rs. in Lakhs

<b>13 CURRENT - OTHER FINANCIAL ASSETS</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured considered good</b>		
Deposits for premises	0.35	0.35
Advances to staff	-	2.27
Interest accrued but not due on Fixed Deposits	0.65	-
<b>Total</b>	<b>1.00</b>	<b>2.62</b>

Rs. in Lakhs

<b>14 OTHER CURRENT ASSETS</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Value added tax	-	3.22
Advances to suppliers and Others	69.51	68.27
Goods and Service Tax receivable	5.31	3.96
Prepaid Expenses	0.92	-
<b>Total</b>	<b>75.74</b>	<b>75.45</b>



## Statement of Changes in Equity for the year ended March 31, 2023

Rs. In Lakhs

15 EQUITY SHARE CAPITAL	As at March 31, 2023	As at March 31, 2022
<b>AUTHORISED</b>		
<b>Equity shares, of Rs.10 each</b>		
7,500,000 Equity Shares of Rs.10 each	750.00	750.00
	<b>750.00</b>	750.00
<b>ISSUED,</b>		
<b>Equity shares, of Rs.10 each</b>		
7,470,012 Nos. (March 31, 2022 - 7,470,012 Nos.)	<b>747.00</b>	<b>747.00</b>
<b>SUBSCRIBED AND PAID UP</b>		
Equity shares, of Rs.10 each, fully paid up		
7,367,818 Nos. (March 31, 2022 - 7,367,818 Nos.)	736.78	736.78
<b>TOTAL SHARE CAPITAL</b>	736.78	736.78

### The reconciliation of the number of equity shares outstanding

	2022-23	2021-22	2020-21	2019-20	2018-19
Equity Shares at the beginning of the year	73,67,818	73,67,818	73,67,818	73,67,818	73,67,818
Shares issued pursuant to a contract without payment being received in cash	-	-	-	-	-
Shares issued as fully paid up bonus shares	-	-	-	-	-
Allotment on conversion of Optionally Fully Convertible Warrants	-	-	-	-	-
Shares bought back	-	-	-	-	-
Equity Shares at the end of the year	73,67,818	73,67,818	73,67,818	73,67,818	73,67,818

### Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts in proportion to their shareholding. However, no preferential amount exist currently.

### Shareholders holding more than 5% shares:

Name of the Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Sudarshan Shriram Chokhani	15,23,087	20.67	15,23,087	20.67
Shyantanu Sudarshan Chokhani	17,18,200	23.32	17,18,200	23.32
Sudal Enterprises Private Limited	13,91,213	18.88	13,91,213	18.88

## Notes to the financial statements for the year ended March 31, 2023

### In the Period of five years immediately preceding March, 2023:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

### Shares held by promoters

Promoter Name	As at March 31, 2023		As at March 31, 2022	
	No. of Equity Shares	% of the total shares	No. of Equity Shares	% of the total shares
Sudarshan Shriram Chokhani	15,23,087	20.67	15,23,087	20.67
Shyantanu Sudarshan Chokhani	17,18,200	23.32	17,18,200	23.32
Sudal Enterprises Private Limited	13,91,213	18.88	13,91,213	18.88
Sudarshan Shriram Chokhani HUF	10,500	0.14	10,500	0.14
<b>Total</b>	<b>46,43,000</b>	<b>63.01</b>	<b>46,43,000</b>	<b>63.01</b>

### 16 OTHER NON CURRENT FINANCIAL LIABILITIES

Rs. in Lakhs

	As at March 31, 2023	As at March 31, 2022
Suppliers credit from related parties	65.01	22.26
<b>Total</b>	<b>65.01</b>	<b>22.26</b>

### 17 LONG TERM PROVISIONS

Rs. in Lakhs

	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits:</b>		
Compensated Absences	33.24	30.36
Gratuity (Refer note 35)	102.96	103.92
<b>Total</b>	<b>136.20</b>	<b>134.28</b>

Rs. in Lakhs

18 TRADE PAYABLES	As at March 31, 2023	As at March 31, 2022
Dues of Micro and small enterprises*	-	-
Others	896.51	855.31
Dues to Employees	75.55	58.09
<b>TOTAL</b>	<b>972.06</b>	<b>913.40</b>

## Statement of Changes in Equity for the year ended March 31, 2023

### 18.1 Trade payable ageing schedule :

Rs in lakhs

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of transactions					
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	831.04	4.46	-	-	835.50
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
(v) Accrued expenses	61.01	-	-	-	-	61.01
<b>Total</b>	<b>61.01</b>	<b>831.04</b>	<b>4.46</b>	<b>0.00</b>	<b>0.00</b>	<b>896.51</b>

Rs in lakhs

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of transactions					
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	753.94	21.75	-	-	775.69
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
(v) Accrued expenses	79.62	-	-	-	-	79.62
<b>Total</b>	<b>79.62</b>	<b>753.94</b>	<b>21.75</b>	<b>-</b>	<b>-</b>	<b>855.31</b>

### 18.2 \*Dues to Micro, Small and Medium Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Principal Amount due to suppliers under MSMED Act, 2006, Beyond appointed Day	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers ( other than interest ) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act ( Other than section 16 )	-	-
Interest paid to suppliers under MSMED Act ( Section 16 )	-	-
Interest due and payable to suppliers under MSMED Act, for the payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as " Micro and Small enterprises" on the basis of information available with Company.

## Notes to the financial statements for the year ended March 31, 2023

Rs. in Lakhs

<b>19 OTHER FINANCIALS LIABILITIES</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Secured* :		
Overdue credit Facilities from a bank		
Principal	3,240.74	3,240.74
Interest accrued	8,473.73	6,693.64
	11,714.47	9,934.38
Unsecured* :		
Overdue Inter Corporate Deposits( inclusive of over due interest of Rs.2556.94 Lakhs; Previous Year Rs. 1996.28 Lakhs)	3,360.17	2,799.52
<b>Total</b>	<b>15,074.64</b>	<b>12,733.90</b>

\*for interest rate and other terms -please refer note no. 40 and 41

### 20 OTHER CURRENT LIABILITIES

Rs. in Lakhs

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Statutory dues payable	45.82	97.36
Advances from customers	95.03	131.08
<b>Total</b>	<b>140.85</b>	<b>228.44</b>

### 21 SHORT TERM PROVISIONS

Rs. in Lakhs

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Provision for employee benefits:</b>		
Compensated Absences	8.52	8.09
Gratuity (Refer note 35)	44.92	57.12
<b>Total</b>	<b>53.44</b>	<b>65.22</b>

## Statement of Changes in Equity for the year ended March 31, 2023

Rs. in Lakhs

22	REVENUE FROM OPERATIONS	For the year ended March 31, 2023	For the year ended March 31, 2022
	<b>Sale of Manufactured goods</b>		
	Aluminium based products	15,476.18	12,528.92
	<b>Sale of Services :</b>		
	Job Charges	123.04	99.20
	<b>Other Operating Income :</b>		
	Sale of Scrap	386.17	266.30
	<b>Total</b>	<b>15,985.39</b>	<b>12,894.42</b>

Rs. in Lakhs

23	OTHER INCOME	For the year ended March 31, 2023	For the year ended March 31, 2022
	Liabilities no longer payable written back (including Rs.58.41 lakhs ; previous year Rs. Nil Recovery against advance receivable written off in earlier year)	71.83	10.85
	Interest on Fixed Deposit	2.97	-
	Sale of aluminium scrap	147.80	-
	Less : Purchase of aluminium scrap	(130.93)	-
		16.87	-
	Proceeds from sale of scrapped toolings ,moulds etc.	93.66	-
	<b>Total</b>	<b>185.33</b>	<b>10.85</b>

Rs. in Lakhs

24	COST OF MATERIALS CONSUMED	For the year ended March 31, 2023	For the year ended March 31, 2022
	Consumption of raw materials and components	12,484.09	9,927.78
	Stores and spare parts consumed	255.90	143.75
	<b>Total</b>	<b>12,739.99</b>	<b>10,071.54</b>

## Notes to the financial statements for the year ended March 31, 2023

Rs. in Lakhs

25 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS	For the year ended March 31,2023	For the year ended March 31,2022
Opening Stock:		
Finished Goods	146.77	58.91
Work in Progress	801.10	852.86
<b>Total</b>	<b>947.87</b>	<b>911.76</b>
Closing Stock :		
Finished Goods	233.16	146.77
Work in Progress	329.46	801.10
<b>Total</b>	<b>562.62</b>	<b>947.87</b>
<b>Total</b>	<b>385.25</b>	<b>(36.11)</b>

Rs. in Lakhs

26 EMPLOYEE BENEFITS EXPENSE	For the year ended March 31,2023	For the year ended March 31,2022
Salaries, wages and Bonus	402.65	352.88
Contributions to provident and other funds	30.82	27.79
Defined benefit plan expense-Gratuity	18.44	26.36
Staff welfare expenses	24.57	18.39
<b>Total</b>	<b>476.48</b>	<b>425.42</b>

Rs. in Lakhs

27 FINANCE COSTS	For the year ended March 31,2023	For the year ended March 31,2022
Interest expenses	2,366.21	2,062.47
Interest paid to others	16.75	9.58
<b>Total</b>	<b>2,382.96</b>	<b>2,072.05</b>

Rs. in Lakhs

28 DEPRECIATION AND AMORTISATION	For the year ended March 31,2023	For the year ended March 31,2022
Deprciation on property, plant and equipment	239.24	275.98
<b>Total</b>	<b>239.24</b>	<b>275.98</b>

## Statement of Changes in Equity for the year ended March 31, 2023

Rs. in Lakhs

29 OTHER EXPENSES	For the year ended March 31,2023	For the year ended March 31,2022
Power and Fuel	1,295.75	841.25
Labour Charges	93.99	85.80
Repairs and Maintenance Expenses:		
Repairs to Plant & Machinery	59.92	15.36
Repairs to building	10.13	14.07
Repairs - Others	71.15	31.00
Packing Charges	59.99	61.82
Insurance	6.52	6.71
Telephone and Postage	13.30	19.20
Travelling and Conveyance	18.60	14.15
Directors' Sitting Fees	1.38	0.84
Legal and Professional Charges	134.46	186.69
Auditors' Remuneration (Refer note no. 29.1 below)	18.03	10.00
Bad Debts written off	2.71	9.61
Less : Provision withdrawn	(2.71)	(9.61)
Provision for Doubtful Receivable	8.05	-
Rates and Taxes	4.01	4.48
Transportation	15.16	(1.49)
Retainership Charges	26.64	20.62
Rent	34.92	18.36
Sundry Balance Written off - Net	-	3.68
Loss on Sale/ Discard of Property, Plant & Equipment (Refer note no. 29.2 below)	1,076.85	92.36
Miscellaneous Expenses	87.62	93.39
<b>Total</b>	<b>3,036.47</b>	<b>1,518.29</b>

### 29.1 Auditors' Remuneration (excluding taxes)

Rs. in Lakhs

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Audit fees	6.25	5.00
Limited review fees	8.25	4.50
Certification fees	3.00	-
Reimbursement of expenses	0.53	0.50
<b>Total</b>	<b>18.03</b>	<b>10.00</b>

## Notes to the financial statements for the year ended March 31, 2023

29.2 Loss on Sale/ Discard of Property, Plant & Equipment comprises of following :

Rs. in Lakhs

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Loss on discarding of Dies	959.80	92.36
Loss on sale of property, plant and equipment	117.05	-
<b>Total</b>	<b>1,076.85</b>	<b>92.36</b>

Rs. in Lakhs

30 EXCEPTIONAL ITEMS (NET)	For the year ended March 31,2023	For the year ended March 31,2022
Provision made due to pending long overdue sanctions from the State Government in respect of electricity and octroi receivable	248.16	-
Liability in respect of principal/interest no longer payable to a lender written back on reaching one time settlement	-	461.19
<b>Total-Income/(Expense)</b>	<b>(248.16)</b>	<b>461.19</b>

### 31 INCOME TAXES

Rs. in Lakhs

Tax expense recognised in the statement of Profit and Loss:	2022-23	2021-22
<b>Current Tax</b>		
Current Tax for taxable income for the current year	-	-
Current tax- for earlier years/(written back)	-	-
<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below :

	2022-23	2021-22
Effective income tax rate applicable to the Company	26.00%	26.00%
Profit/(Loss) before tax after exceptional items and OCI	(3,327.51)	(955.60)
Tax expenses/(credit) on Profit/(Loss) at effective tax rate	(865.15)	(248.45)
<b>Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income :</b>		
Deferred Tax Asset not recognised in earlier year as a matter of prudence	868.96	1,388.02
Other differences in opening written down value	(3.80)	(1,139.57)
<b>Total income tax expense/(credit) as per Profit and loss</b>	<b>0.00</b>	<b>0.00</b>



## Statement of Changes in Equity for the year ended March 31, 2023

The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2023:

Rs. in Lakhs

Particulars	As at March 31, 2021	Movement during the year	As at March 31, 2022	Movement during the year	As at March 31, 2023
<b>Deferred tax assets</b>					
Expenses allowable on payment basis and others	57.14	1,444.91	1,502.05	531.77	2,033.82
Provision for Doubtful debts	-	-	-	73.26	73.26
Unabsorbed business losses and depreciation	1,082.30	(171.21)	911.09	(38.61)	872.48
Remeasurements of net defined benefit plans and leave liability	(3.93)	-	(3.93)	53.24	49.31
	1,135.51	1,273.70	2,409.21	619.65	3,028.86
<b>Deferred Tax Liability</b>					
Differences in written down value of Property, Plant and Equipment	806.56	(114.32)	692.24	(249.30)	442.94
<b>Net Deferred Tax Assets</b>	<b>328.95</b>	<b>1,388.02</b>	<b>1,716.97</b>	<b>868.96</b>	<b>2,585.93</b>
Less : Valuation allowance for Deferred Tax Asset	328.95	1,388.02	1,716.97	868.96	2,585.93
<b>Total</b>	-	-	-	-	-

The Company has continued to adopt the existing rate of Income tax and the option under the new regime for lower rate of taxes will be reviewed in subsequent financial year/s.

### 32 FINANCIAL INSTRUMENTS

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**The carrying amounts and fair values of financial instruments by category are as follows:**

## Notes to the financial statements for the year ended March 31, 2023

### a. Financial assets

Rs. in Lakhs

	Instruments carried at fair value			Instruments carried at amortized cost		
	Note	At Cost	FVTOCI	Carrying amount	Total carrying amount	Total fair value
<b>As at March 31, 2022</b>						
Investments	5	0.08	-	-	-	-
Trade receivables	10	-	-	881.98	881.98	881.98
Cash & cash equivalents	11	-	-	209.84	209.84	209.84
Other bank balances	12	-	-	51.15	51.15	51.15
Other financial assets	6 & 13	-	-	12.76	12.76	12.76
<b>Total</b>		<b>0.08</b>	<b>-</b>	<b>1,155.73</b>	<b>1,155.73</b>	<b>1,155.73</b>
<b>As at March 31, 2023</b>						
Investments	5	0.08	-	-	0.08	0.08
Trade receivables	10	-	-	1,031.84	1,031.84	1,031.84
Cash & cash equivalents	11	-	-	159.18	159.18	159.18
Other bank balances	12	-	-	53.23	53.23	53.23
Other financial assets	6 & 13	-	-	11.14	11.14	11.14
<b>Total</b>		<b>0.08</b>	<b>-</b>	<b>1,255.39</b>	<b>1,255.47</b>	<b>1,255.47</b>

### b. Financial liabilities

	Instruments carried at fair value			Instruments carried at amortized cost		
	Note	FVTPL	Total carrying amount and fair value	Carrying amount	Total carrying amount	Fair value
<b>As at March 31, 2022</b>						
Trade payables	16	-	-	913.40	913.40	913.40
Other financial liabilities	17	-	-	12,756.16	12,756.16	12,756.16
<b>Total</b>		<b>-</b>	<b>-</b>	<b>13,669.56</b>	<b>13,669.56</b>	<b>13,669.56</b>
<b>As at March 31, 2023</b>						
Trade payables	16	-	-	972.06	972.06	972.06
Other financial liabilities	17	-	-	15,139.65	15,139.65	15,139.65
<b>Total</b>		<b>-</b>	<b>-</b>	<b>16,111.71</b>	<b>16,111.71</b>	<b>16,111.71</b>

## Statement of Changes in Equity for the year ended March 31, 2023

### 33 RISK MANAGEMENT

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

#### (i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

#### Exposure to interest rate risk

Rs in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings bearing variable rate of interest	11,714.47	9,934.38

#### Interest rate sensitivity - A change of 50 bps in interest rates would have following Impact on profit before tax

Rs in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
50 bp increase in interest rate - decrease in profits	(54.12)	(46.06)
50 bp decrease in interest rate - Increase in profits	54.12	46.06

#### (ii) Market Risk- Foreign currency risk.

The Company does not operate internationally and no portion of the business is transacted in foreign currencies and consequently the Company is not exposed to foreign exchange risk.

#### (iii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

## Notes to the financial statements for the year ended March 31, 2023

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises receivables for write off when a debtor fails to make contractual payments greater than 3 years past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

For Trade receivable ageing-Please refer note no. 10.1

### (iv) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's operational department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

### Financing arrangements

The Company had access to following undrawn Borrowing facilities at end of reporting year:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable Borrowing -Cash Credit expires within 1 year	Nil	Nil

### Maturity patterns of borrowings

Particulars	As at March 31, 2023			
	0-1 year	1-5 year	Beyond 5 years	Total
Overdue Borrowings	15,074.64	-	-	15,074.64
Interest payable- Interest Accrued but Not Due	-	-	-	-

Particulars	As at March 31, 2022			
	0-1 year	1-5 year	Beyond 5 years	Total
Short term borrowings	12,733.90	-	-	12,733.90
Interest payable- Interest Accrued but Not Due	-	-	-	-

## Statement of Changes in Equity for the year ended March 31, 2023

### Maturity patterns of other Financial Liabilities

Particulars	As at March 31, 2023					
	Overdue	0-3 months	3-6 months	6-12 months	Beyond 12 months	Total
Trade Payable	-	972.06	-	-	-	972.06
Borrowings	15,074.64	-	-	-	-	15,074.64
Other Financial liability (Current and Non Current)	-	65.01	-	-	-	65.01
<b>Total</b>	<b>15,074.64</b>	<b>1,037.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,111.71</b>

Particulars	As at March 31, 2022					
	Overdue	0-3 months	3-6 months	6-12 months	Beyond 12 months	Total
Trade Payable	-	913.40	-	-	-	913.40
Borrowings	12,733.90	-	-	-	-	12,733.90
Other Financial liability (Current and Non Current)	-	22.26	-	-	-	22.26
<b>Total</b>	<b>12,733.90</b>	<b>935.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,669.56</b>

### 34 Capital risk management

The Company's objectives when managing capital are to

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

The Company's strategy is to maintain a gearing ratio within the industry average. The gearing ratios were as follows:

Rs in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Net Debt (after adjustment of cash and cash equivalents)	14,915.46	12,524.06
Total Equity	(10,292.92)	(6,965.41)
Capital Gearing Ratio	(1.45)	(1.80)

### 35 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS" (Post retirement benefit plans)

#### i) Gratuity:

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

## Notes to the financial statements for the year ended March 31, 2023

The disclosure in respect of the defined Gratuity Plan are given below:

Rs. in Lakhs

### A. Balance Sheet

	Defined benefit plans-Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present value of plan liabilities	147.88	161.04
Fair value of plan assets	-	-
<b>Asset/(Liability) recognised</b>	<b>(147.88)</b>	<b>(161.04)</b>

### B. Movements in plan assets and plan liabilities

Rs. in Lakhs

	Present value of obligations	Fair Value of Plan assets
<b>As at April 1, 2022</b>	161.04	-
Current service cost	9.56	-
Past service cost	-	-
Interest Cost/(Income)	8.88	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions/ Demographic assumptions	(6.94)	-
Actuarial (gain)/loss arising from experience adjustments	(3.38)	-
Employer contributions	-	-
Benefit payments/Transferred to liability account on retirements	(21.28)	-
<b>As at March 31, 2023</b>	<b>147.88</b>	-
	Present value of obligations	Fair Value of Plan assets
<b>As at April 1, 2021</b>	151.79	-
Current service cost	8.22	-
Past service cost	-	-
Interest Cost/(Income)	7.92	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(4.52)	-
Actuarial (gain)/loss arising from experience adjustments	9.63	-
Employer contributions	-	-
Benefit payments/Transferred to liability account on retirement	(12.00)	-
<b>As at March 31, 2022</b>	<b>161.04</b>	-

The liabilities are split between different categories of plan participants as follows:

active members -139 (2021-22: 128)

## Statement of Changes in Equity for the year ended March 31, 2023

### C. Statement of Profit and Loss

Rs. in Lakhs

	2022-23	2021-22
<b>Employee Benefit Expenses:</b>		
Current service cost	9.56	8.22
Interest cost/(income)	7.92	7.92
<b>Total amount recognised in Statement of profit &amp; loss</b>	<b>17.48</b>	<b>16.14</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Experience gains/(losses)	(10.32)	(10.32)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(10.32)</b>	<b>(10.32)</b>

### D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2023	As at March 31, 2022
<b>Financial Assumptions</b>		
Discount rate	7.40%	6.70%
Expected Rate of Return on plan assets	N.A.	N.A.
Salary Escalation Rate	6.00%	6.00%
Attrition Rate	2.00%	2.00%

#### Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2012-14) ultimate

### E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Rs. in Lakhs

Impact on defined benefit obligation	Change in assumption	As at March 31, 2023	
		Increase in assumption	Decrease in assumption
Discount rate	+/(-)0.50%	143.31	152.76
Salary Escalation Rate	+/(-)0.50%	152.80	143.23
Attrition Rate	+/(-)10%	148.11	147.63
		As at March 31, 2022	
Impact on defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+/(-)0.50%	156.34	166.08
Salary Escalation Rate	+/(-)0.50%	166.08	156.29
Attrition Rate	+/(-)10%	161.18	160.89

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

## Notes to the financial statements for the year ended March 31, 2023

### F. The defined benefit obligations shall mature as follows:

Rs. in Lakhs

	As at March 31, 2023	As at March 31, 2022
<b>Particulars</b>		
Within 1 year	44.92	57.12
1-2 year	15.88	13.46
2-3 year	9.05	14.56
3-4 year	4.01	8.30
4-5 year and thereafter	68.28	42.86

The weighted average duration of the defined benefit obligation is 6.61 years (2021-22- 11 years)

**ii) Compensated Absences:** The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

### iii) The Code on Social Security :

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.

### 36 EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) as per Statement of profit and loss (Rs. in Lakhs)	(3,337.82)	(960.71)
Weighted average number of equity Shares	7367818	7367818
Face value of equity Share in Rs	10.00	10.00
Basic & Diluted Earning Per Share (Rs)	(45.30)	(13.04)

Rs in Lakhs

37 Pending Litigations/contingent liabilities not provided for in respect of :	2022-23	2021-22
<b>(a) Disputed Sales Tax/ Income Tax matters :</b>		
Disputed income tax demand for earlier assessment years	-	155.34
Disputed Goods and Service Tax demand (including interest and penalty upto the date of demand)	36.25	-

The management is reasonably confident that no liability will be devolve on the Company.

**(b)** The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements

**(c)** During the year, the Company has received show cause notices from Goods and Service Tax Department for aggregate tax impact of Rs.3,305.93 lakhs (including penalty and interest thereon upto date of notice), in respect of disallowance of



## Statement of Changes in Equity for the year ended March 31, 2023

input credits, mis-match in the GST returns filed etc. for the financial year from 2017-18 to 2021-22. These show cause notices have been suitably replied by the Company and no further communication received from the department thereafter.

### 38 Commitments

Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

Rs in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Commitment-Gross	103.03	-
Less : Capital advance	20.02	-
Net Commitment	83.01	-

### 39 DISCLOSURE ON RELATED PARTY TRANSACTIONS

#### Names of related parties and description of relationship:

#### Related parties with whom transactions have been entered during the year in the ordinary course of the business:

Sudarshan Chokhani and Company

Shriram Chokhani and Company

#### Directors/Key Managerial Personnel (KMP) and their relatives:

Shri Sudarshan S. Chokhani - Managing Director

Shri Shyantanu S. Chokhani - Non Executive Director

Shri Mukesh V. Ashar - CFO & Whole time Director

Shri Debasis Acharya -CEO (w.e.f. June 1, 2022)

Shri Prasana Ramdas - Company Secretary & Compliance Officer

Ms. Neha Dhuru - Independent Director (Resigned w.e.f. May 2, 2023)

Shri Lalit Maharshi - Independent Director

Shri Jal S Thanawala - Independent Director

During the year, the following transactions were carried out with the above related parties in the ordinary course of business and outstanding balances as on March 31, 2023

## Notes to the financial statements for the year ended March 31, 2023

Rs in Lakhs

Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Sudarshan Chokhani &amp; Company</b>		
Rent	31.75	-
Finance Charges	4.15	-
Suppliers credit taken	137.14	-
Suppliers credit repaid	146.52	-
<b>Shriram Chokhani &amp; Company</b>		
Finance Charges	2.03	7.04
Suppliers credit taken	79.00	-
Suppliers credit repaid	56.06	-
<b>Shyantanu S. Chokhani</b>		
Advisory Fees (retainership)	27.00	27.00
<b>Managerial Remuneration:</b>		
Shri Sudarshan S. Chokhani	42.00	42.00
Shri Mukesh V. Ashar	8.79	7.59
Shri Debasis Acharya	17.50	3.75
Shri Prasana Ramdas	3.36	3.34
<b>Director sitting fees:</b>		
Shri Shyantanu S. Chokhani	0.09	0.11
Ms. Neha Dhuru	0.51	0.29
Shri Lalit Maharshi	0.27	0.29
Shri Jal S Thanawala	0.51	0.15

Rs in Lakhs

Party Name	Nature of Balances	As at March 31, 2023	As at March 31, 2022
Sudarshan Chokhani & Company	Trade Payable	24.29	5.45
Shriram Chokhani & Company	Trade Payable	40.73	16.80
Shri Shyantanu S. Chokhani	Advisory fees payable	2.43	1.56
Shri Sudarshan S. Chokhani	Managerial remuneration payable	2.60	2.60
Shri Mukesh V. Ashar	Managerial remuneration payable	0.64	1.05
Shri Debasis Acharya	Salary payable	3.57	1.20
Shri Prasana Ramdas	Salary payable	0.28	0.28
Shri Sudarshan S. Chokhani	Personal Counter Guarantee given by two directors to the Bank ,being jointly and severally liable to the extent of loan outstanding	11,714.47	9,934.38
Shyantanu S. Chokhani			

### Notes:

- a) Related party relationship is as identified by the management and relied upon by the auditors.

## Statement of Changes in Equity for the year ended March 31, 2023

- b) No amounts in respect of related parties have been written off/ written back during the year and nor provision has been made for doubtful debts/ receivable.
- c) The above figures do not include provisions for compensated expense and gratuity as separate actuarial valuation are not available.

### 40 Assets provided as security

The carrying amounts of assets provided as security for borrowings and others are as under:

Rs in Lakhs

	As at 31 March, 2023	As at 31 March, 2022
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	1,031.84	881.98
Inventories	1,032.33	1,179.49
<b>Total Current assets provided as security</b>	<b>2,064.17</b>	<b>2,061.47</b>
<b>Non Current Assets</b>		
Furniture, fittings & fixtures	1.10	1.15
Plant & Equipments	2,417.29	3,131.50
Land and Buidlings	789.16	824.68
<b>Total non-current assets provided as security</b>	<b>3,207.56</b>	<b>3,957.33</b>
<b>Total assets provided as security</b>	<b>5,271.73</b>	<b>6,018.79</b>

#### Note:

#### Secured Loans:

- (a) Term Loan from Bank of Rs.839.02 Lakhs (including interest of Rs. 577.76 Lakhs) (as on 31st March, 2022 Rs.719.97 Lakhs including interest of Rs. 458.72 Lakhs ) carrying Interest of base rate plus 3.50 percent (previous year base rate plus 3.50 percent) are secured by way of hypothecation of two press and is also personally guaranteed by two directors of the Company.
- (b) Non fund based limit utilised Rs. Nil (as on 31st March, 2022 Rs.Nil ) and Cash Credit Rs.5953.42 Lakhs (including interest of Rs.4223.93 Lakhs) (as on 31st March, 2022 Rs. 5052.81 Lakhs including interest of Rs. 3323.32 Lakhs ) carrying Interest of base rate plus 4.75 percent (as on 31st March, 2022 base rate plus 4.75 percent) are secured by hypothecation of stocks and book debts and is also personally guaranteed by two directors of the Company.
- (c) Vehicle Loan of Rs. Nil Lakhs (Previous year Rs. Nil Lakhs) (Interest Nil ; previous year @ 8.75%/10.25% ) are repayable over a period of 3 years and secured by hypothecation of Vehicle purchased their against.
- (d) Working Capital Term Loan (WCTL) from Bank of Rs. 4922.01 Lakhs (including interest of Rs.3672.01 Lakhs) (as on 31st March, 2022 Rs.4161.60 Lakhs including interest of Rs.2911.60 Lakhs ) carrying Interest of base rate plus 5 percent (previous year base rate plus 5 percent) is secured by way of hypothecation of all stocks at factory/ consignment agents and book debts (residual value after meeting the DP for ODBD limits) and secured by 1st charge of mortgage of factory land and building and hypothecation of other fixed assets of the company unit at MIDC, Ambad, Nashik and is also personally guaranteed by the two directors of the company. Loan repayable in 36 equal monthly installment from January, 2016. Interest to be paid on monthly basis from the day one.

#### Unsecured Loans:

- (f) Interest rate range between 15% to 21% (Previous year 15% to 21%) and are repayable within 1 year (Previous year repayable within 1 year) with the right of renewal.

## Notes to the financial statements for the year ended March 31, 2023

### 41 Going Concern :

The Company has been continuously incurring losses over last several years and its net worth stands fully eroded. It has submitted a Prepackage Insolvency Resolution Plan (PIRP) to Hon'ble NCLT, Mumbai which was admitted under Section 54C of the Insolvency & Bankruptcy Code 2016 ("Code") vide its order dated April 20, 2023 and moratorium has been declared under Section 14 of the code w.e.f. April 20, 2023, Resolution professional Mr. Prashant Jain have been appointed and Committee of Creditors have been formed under the Code. In accordance with the provisions of the Code, Public Announcement has been done inviting the bids for resolution plan by May 29, 2023. As per Section 54H of the Code, the management vests with the Company and accordingly it has been allowed to continue its operations. Besides, it is confident to receive favorable acceptance of resolution plan submitted by the Company under the Code resulting in settlement with lenders and consequent ease of operations. Also the Company has deposited under no Lien Account Rs 325 lakhs (as at March 31, 2022 Rs. 150 lakhs) against offer for settlement and the amount will be remain in the account till acceptance of the Offer. Accordingly, management believes that it is appropriate to prepare these financial financial statements on a going concern basis. Therefore, the financial statements 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.

Rs in Lakhs

### 42 Net debt reconciliation :

Particulars	Cash and cash equivalents	Non current borrowings (including current maturities)	Current borrowings	Interest Payable	Total
<b>Net debt as at March 31, 2021</b>	<b>(95.73)</b>	<b>77.99</b>	<b>6,002.85</b>	<b>5,176.76</b>	<b>11,161.87</b>
Cash flows- Proceeds/(Repayment)	(114.11)	(55.73)	-	-	(169.84)
Non cash items	-	-	-	-	-
Finance cost on borrowings	-	-	108.80	1,445.49	1,554.29
Interest paid on borrowings	-	-	-	-	-
<b>Net debt as at March 31, 2022</b>	<b>(209.84)</b>	<b>22.26</b>	<b>6,111.65</b>	<b>6,622.25</b>	<b>12,546.32</b>
Cash flows- Proceeds/(Repayment)	50.66	42.75	-	-	93.41
Non cash items	-	-	-	-	-
Finance cost on borrowings	-	-	-	2,340.74	2,340.74
Interest paid on borrowings	-	-	-	-	-
<b>Net debt as at March 31, 2023</b>	<b>(159.18)</b>	<b>65.01</b>	<b>6,111.65</b>	<b>8,962.99</b>	<b>14,980.47</b>

### 43 Relationship with Struck Off companies under Section 248 of the Act or Section 560 of Companies Act, 1956

Name of the Struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any, to be disclosed	As at 31 March, 2023	As at 31 March, 2022
None	Investment in Securities Receivables Payables Shares held by stuck off company Other outstanding balances (to be specified)	None	-	-

## Statement of Changes in Equity for the year ended March 31, 2023

### 44 Registration of charges or satisfaction with Registrar of Companies (ROC) beyond statutory period

The Company is in the process of satisfaction of charges registered in earlier years aggregating to Rs. 17,861.90 lakhs (as at March 31, 2022 Rs.17,861.90 lakhs)

### 45 Details of Benami Property held

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

46 The Company has been sanctioned working capital limit in excess of Rs 5 crores which has become overdue for quite some time and hence quarterly returns or statements is not required to be filed with such bank.

### 47 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

48 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

49 There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

50 The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

51 The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

### 52 Ratios

	Notes	2022-23		2021-22	%Variance
(a) <b>Current Ratio</b>					
Numerator- Total of Current Assets		<u>2,353.32</u>		<u>2,400.53</u>	
Denominator-Total of Current liabilities		<u>16,240.99</u>	0.14	<u>13,940.96</u>	0.17 (15.85)
(b) <b>Debt Equity Ratio (in times)</b>					
Numerator- Total of Borrowings less cash and Cash Equivalents		<u>14,915.46</u>		<u>12,524.06</u>	
Denominator-Total Equity		<u>(10,292.92)</u>	-145%	<u>(6,965.41)</u>	(1.80) (19.41)
(c) <b>Debt Service Coverage Ratio</b>	1				
Numerator- Profit/(Loss) after exceptional items and before tax		<u>(3,337.82)</u>		<u>(960.71)</u>	
Denominator-Debt Service (Borrowings+Interest payable)		<u>15,074.64</u>	(0.22)	<u>12,733.90</u>	(0.08) 193.48
(d) <b>Return on Equity Ratio</b>	2				
Numerator- Profit/(Loss) after tax and exceptional items		<u>(3,337.82)</u>		<u>(960.71)</u>	
Denominator-Average shareholders equity		<u>(8,629.16)</u>	39%	<u>(6,487.60)</u>	15% 161.21
(e) <b>Inventory Turnover Ratio</b>	3				
Numerator-Sales		<u>15,985.39</u>		<u>12,894.42</u>	
Denominator-Average Inventories of FG and WIP		<u>755.25</u>	21.17	<u>929.82</u>	13.87 52.63
(f) <b>Trade Receivables Turnover Ratio</b>					
Numerator-Revenue from Operations		<u>15,985.39</u>		<u>12,894.42</u>	
Denominator-Average Trade Receivables		<u>956.91</u>	16.71	<u>832.54</u>	15.49 7.86

## Notes to the financial statements for the year ended March 31, 2023

(g) <b>Trade Payable Turnover Ratio</b>	<b>4</b>				
Numerator-Net Credit Purchases		<b>12,952.65</b>		<b>10,035.43</b>	
			13.74		37.33
Denominator-Average Accounts Payable		<b>942.73</b>		<b>1,003.06</b>	10.00
(h) <b>Net Capital Turnover Ratio</b>					
Numerator-Revenue from Operations		<b>15,985.39</b>		<b>12,894.42</b>	
			(1.85)		(1.99)
Denominator-Average shareholders equity		<b>(8,629.16)</b>		<b>(6,487.60)</b>	(6.80)
(i) <b>Net Profit Ratio</b>	<b>5</b>				
Numerator-Net profit after tax		<b>(3,337.82)</b>		<b>(960.71)</b>	
			-21%		-7%
Denominator-Revenue from Operations		<b>15985.39</b>		<b>12894.42</b>	180.25
(j) <b>Return on Capital Employed</b>	<b>6</b>				
Numerator-Profit/(Loss) before interest and tax		<b>(706.70)</b>		<b>650.15</b>	
			7%		-10%
Denominator-Capital employed (total assets less current liabilities)		<b>(10,091.71)</b>		<b>(6,808.87)</b>	(173.34)
(k) <b>Return on Investment</b>					
Numerator-Dividend Income				<b>N.A.</b>	
Denominator-Cost of Investments					

Notes

### Remarks for variations more than 25%

- 1 Due to interest accrued but not paid for the year
- 2 Due to increase in net loss for the year
- 3 Due to improvement in the sales during the year
- 4 Due to increase in purchase during the year
- 5 Due to increase in net loss for the year
- 6 Due to increase in expenses for the year

**53** Previous years' figures have been regrouped/reclassified whenever necessary to conform to current years' classification.

### Signatures to Notes 1 to 53

For and on behalf of the Board of Directors

**Sudarshan S. Chokhani**  
Managing Director  
(DIN : 00243355)

**Mukesh V. Ashar**  
Whole time Director & CFO  
(DIN : 06929024)

**Debasis Acharya**  
Chief Executive Officer

**Prasana Ramdas**  
Company Secretary  
M. No.ACWPR8066P

Mumbai, May 26, 2023





## Sudal Industries Limited

**CIN: L21541MH1979PLC021541**

**Registered Office:** A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010

**Tel No.:** 022- 6636200 **Fax No.:** 022-2202893.

**Email id:** mvashar@sudal.co.in **Website:** www.sudal.co.in

### FORM NO. MGT – 11

### PROXY FORM

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

<b>Name of the Member(s):</b>	
<b>Registered Address</b>	
<b>Email ID:</b>	
<b>DP ID /Client Id/ Folio No.:</b>	

I/we, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him/her
2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him/her
3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44<sup>th</sup> Annual General Meeting of the members of Sudal Industries Limited will be held on Saturday, 30<sup>th</sup> September, 2023 at A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010, at 03:00 P.M. and/or any adjournment thereof in respect of resolutions, as indicated below:



Resolution No.	Resolution	Type of resolution (Ordinary / Special)	I/We assent to the resolution (For) *	I/We dissent to the resolution (For) *
<b>Ordinary Business</b>				
1.	Adoption of the Audited Balance Sheet as at 31 <sup>st</sup> March, 2023, the Statement of Profit and Loss and Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	Appointment a Director in place of Mr. Mukesh Ashar (DIN: 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.	Ordinary		
<b>Special Business</b>				
3.	Ratification of Remuneration payable to M/s Hemant Shah & Associates, Cost Accountants, Cost Auditors of the Company.	Ordinary		
4.	Approval of members for continuation of Mr. Mukesh Ashar (DIN: 06929024), as a Whole-Time Director of the Company after attaining the age of 70 years	Special		
5.	Re-Appointment of Mr. Sudarshan Chokhani (DIN: 00243355), as a Managing Director of the Company for a period of 3 (Three) years	Special		

Signed this \_\_\_\_\_ day of September, 2023.

Affix Re. 1/-  
revenue  
stamp

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
- For the resolutions, explanatory statement and notes, please refer to the notice of the 44th Annual General Meeting.*
- A Proxy need not be a member of the Company.*
- A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights.*
- A member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person shall not act as proxy for any other member.*
- In case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion to the vote of the other joint holders. Seniority shall be determined by the order in which the name stands in the register of members.*
- The proxy may vote for or against the agenda items specified in the Notice of Annual General Meeting.*
- \* This is optional. Please put a tick mark (✓) in appropriate column against the indicated above. In case a member wishes his/her vote to be used differently, he/she resolution should indicate the number of shares under the columns 'For', 'Against'. In case the member leaves the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.*



**Sudal Industries Limited**

**CIN: L21541MH1979PLC021541**

**Registered Office:** A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010

**Tel No.:** 022- 6636200 **Fax No.:** 022-2202893.

**Email id:** mvashar@sudal.co.in **Website:** www.sudal.co.in

**ENTRANCE PASS / ATTENDANCE SLIP**  
**(To be presented at the entrance)**

**The 44<sup>th</sup> Annual General Meeting of the Members of Sudal Industries Limited will be held on Saturday, 30<sup>th</sup> September, 2023 at A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010 at 03:00 P.M.**

I/We certify that I am a member/proxy for the member of the Company.

I/We hereby record my/our presence at the 44<sup>th</sup> Annual General Meeting of the members of Sudal Industries Limited held on Saturday, 30<sup>th</sup> September, 2023 at A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010 at 03:00 PM and/or any adjournment thereof.

<b>Name:</b>	
<b>Regd. Folio No.:</b>	
<b>No. of shares held:</b>	
<b>DP ID:</b>	
<b>Client ID:</b>	
<b>Name of Proxy/Representative, if any:</b>	
<b>Signature of the Shareholder(s)/ Proxy/ Representative:</b>	

**Note:**

1. Member/ Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of this Meeting. Members/ proxy are requested to bring a copy of the Annual Report at the meeting.
2. Bodies Corporate, whether a Company or not, who are members, may attend through their authorised representatives appointed under Section 113 of the Companies Act, 2013. A copy of authorisation should be deposited with the Company.





## Sudal Industries Limited

CIN: L21541MH1979PLC021541

**Registered Office:** A 5 M I D C, Ambad Industrial Estate, Mumbai Nashik Highway, Nashik - 422010

**Tel No.:** 022- 6636200 **Fax No.:** 022-2202893.

**Email id:** mvashar@sudal.co.in **Website:** www.sudal.co.in

### BALLOT FORM

*[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

#### 44<sup>th</sup> Annual General Meeting ('AGM') - Saturday, 30<sup>th</sup> September, 2023

*(To be returned to Scrutinizer appointed by the Company)*

<b>Name of the First named Shareholder (in block letters)</b>	
<b>Registered postal address of the first named Shareholder (In block letters)</b>	
<b>Name(s) of the Joint Holder(s)</b>	
<b>Registered Folio No. / *DP Id Client Id (*Applicable to investors holding shares in dematerialized form)</b>	
<b>No. of shares held and class of shares</b>	

I/We hereby exercise my/our vote in respect of the resolution(s) enumerated below and more clearly specified in the Notice of the Company to be passed at the 44<sup>th</sup> AGM of the Company, for the businesses stated in the said Notice by conveying my/ our assent or dissent to the said resolutions in the relevant box below:

Item No.		Type of resolution (Ordinary / Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)	I/We abstain to vote on the resolution (Abstain)
<b>ORDINARY BUSINESS</b>					
1.	Adoption of the Audited Balance Sheet as at 31 <sup>st</sup> March, 2023, the Statement of Profit and Loss and Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.	Ordinary			
2.	Appointment a Director in place of Mr. Mukesh Ashar (DIN: 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.	Ordinary			

Item No.		Type of resolution (Ordinary / Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)	I/We abstain to vote on the resolution (Abstain)
<b>SPECIAL BUSINESS</b>					
3.	Ratification of Remuneration payable to M/s Hemant Shah & Associates, Cost Accountants, Cost Auditors of the Company.	Ordinary			
4.	Approval of members for continuation of Mr. Mukesh Ashar (DIN: 06929024), as a Whole-Time Director of the Company after attaining the age of 70 years	Special			
5.	Re-Appointment of Mr. Sudarshan Chokhani (DIN: 00243355), as a Managing Director of the Company for a period of 3 (Three) years	Special			

**Place: Mumbai**

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Signature of Member / Beneficial Owner**

**E-mail:** \_\_\_\_\_

**#Tel No** \_\_\_\_\_







## **M** ISSION

To work together and achieve continuous improvement which will result in the profitable growth and financial strength of our Company.

## **V** ISSION

To make Sudal one of the premier Aluminium Extruders and preferred supplier of Quality Extrusions exceeding customer expectations in respect of Quality, Customer Service and Competitiveness in India and abroad.

## **Q** uality

Dedicated to exceed customers expectation and devoted to customers delight SUDAL's business strategy is SERVICE, QUALITY and CUSTOMER RELATIONSHIP MANAGEMENT [CRM].

**SUDAL INDUSTRIES LIMITED**

CIN : L21541MH1979PLC021541





## **SUDAL INDUSTRIES LIMITED**

**CIN : L21541MH1979PLC021541**

**Corporate Office :**

**26A, Nariman Bhavan, 227 Nariman Point, Mumbai - 400 021.**

**Phone: +91-22-61577100/ 177/ 114**

**Email: [mumbai@sudal.co.in](mailto:mumbai@sudal.co.in) / [mvashar@sudal.co.in](mailto:mvashar@sudal.co.in)**