



## S.R. Industries Limited

CIN: L29246PB1989PLC009531  
Regd. Off.: E-217, Industrial Area, Phase 8B  
Mohali, Punjab - 160071  
Website: www.srfootwears.com  
Email: info@srfootwears.com  
Tel: +91 172 4602888

To,  
BSE Limited,  
Piroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai - 400 001  
Email Id: [corp.compliance@bseindia.com](mailto:corp.compliance@bseindia.com)

Date: 22/06/2022

**Scrip code: 513515                      Scrip ID: SRIND**

**Subject: Intimation under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 in respect to submission of Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022 of S R Industries Limited currently undergoing Corporate Insolvency Resolution Process (CIRP).**

Dear Sir,

S R Industries Limited ('the Company') is currently undergoing Corporate Insolvency Resolution Process ('CIRP') vide order of Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench Order dated 21st December, 2021 ('Order'), in terms of the provisions of Insolvency and Bankruptcy Code, 2016 ('IBC' or 'Code') and the regulations framed thereunder. Pursuant to the said Order and in accordance with the provisions of IBC, the powers of the Board of Directors and responsibility for managing the affairs of the Company are vested with, Rajender Kumar Jain in his capacity as the Resolution Professional ('RP') of the Company.

This is to inform you that the directors, being duty bound, has considered, approved and adopted the Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2022.

We are enclosing herewith the following documents in this respect:

- a) Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2022,
- b) Auditor's Report on the Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022 issued by M/s Goel Satish & Co., Statutory Auditors of the Company, and
- c) Declaration of unmodified opinion on Auditor's Report on financial results pursuant to Regulation 33(3)(d) of the Listing Regulations.



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Request you to kindly acknowledge and take the same on your record.

Thanking you,

Yours Faithfully,

For **S R Industries Limited**

Rajender Kumar Jain  
IP Registration No: IBBI/IPA-001/IP-P00543/2017-18/10968  
Resolution Professional

<b>S R INDUSTRIES</b>		
Registered Office: E-217, INDUSTRIAL AREA, PHASE 8-B, MOHALI Punjab ( CIN: L29246PB1989PLC009531)		
BALANCE SHEET AS ON 31st MARCH, 2021		
STATEMENT OF ASSETS AND LIABILITIES		Rs. In Lakh
PARTICULARS	As at	
	March 31, 2021	March 31, 2020
<b>ASSETS</b>		
<b>(A) NON CURRENT ASSETS</b>		
i. Property, Plant and Equipment	1668.42	1854.29
ii. Capital Work-in-Progress		
iii. Intangible Assets		
iv. Investment Property		
v. Intangible Assets under Development		
vi. Biological Assets Other Than Bearer Plants		
<b>vii. Financial Assets</b>		
(a) Investments		
(b) Trade Receivables		
(c) Loans		
(d) Security Deposit	11.19	12.79
viii. Deferred Tax Assets (Net)		
ix. Other Non-Current Assets		
x. Prepayments		
<b>(B) CURRENT ASSETS</b>		
i. Inventories	279.32	343.90
<b>ii. Financial Assets</b>		
(a) Investments		
(b) Trade Receivables	568.47	563.83
(c) Cash & Cash Equivalents	4.56	56.78
(d) Bank Balance other than (c) above	0	10.08
(e) Loans	146.28	167.43
(f) Others	29.65	7.94
iii. Current Tax Assets (Net)		
iv. Other Current Assets		
v. Prepayments	0	0
<b>Total Assets</b>	<b>2707.89</b>	<b>3017.04</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(C) EQUITY</b>		
i. Equity Share capital	1964.57	1964.57
<b>ii. Other Equity</b>		
(a) Equity Component of Compound Financial Instrument	981.11	981.11
(b) Reserve & Surplus	-5546.74	-5304.76
(c) Other Reserves	172.69	172.69
<b>(D) LIABILITIES</b>		
<b>Non Current Liabilities</b>		
<b>i. Financial Liabilities</b>		
(a) Borrowings	613.09	821.61
(b) Trade payables		
(c) Other Financial Liabilities		
ii. Provisions	38.28	59.07
iii. Deferred Income	99.71	114.57
iv. Deferred Tax Liabilities (Net)	0	0
v. Other Non-Current Liabilities	0.00	0.00
<b>Current Liabilities</b>		
<b>i. Financial Liabilities</b>		
(a) Borrowings	2314.34	2201.90
(b) Trade payables	673.87	620.65
(c) Other Financial Liabilities	1259.71	1161.06
ii. Other Current Liabilities	117.87	124.44
iii. Provisions	4.54	85.28
iv. Deferred Income	14.85	14.85
v. Current Tax Liabilities (Net)		
<b>Total Equity &amp; Liabilities</b>	<b>2707.89</b>	<b>3017.04</b>

For S. R. INDUSTRIES LTD.

*Ant May*

0.00

0.00

Director



**S.R.INDUSTRIES LIMITED**  
**REGD. OFFICE : E-217, INDUSTRIAL AREA, PHASE 8-B, MOHALI, PUNJAB**  
**(CIN : L29246PB1989PLC009531) (WEB : www.srfootwears.com)**

**AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2022**

		Rs. in Lakhs				
S.NO.	Particulars	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
		Quarter ended			Year to date	Year Ended
		31-03-22	31-12-21	31-03-21	31-03-22	31-03-21
I	Revenue from Operations	240.59	522.40	422.09	1382.68	744.90
II	Other Income	3.78	32.25	344.00	45.90	365.35
III	<b>Total Revenue (I + II)</b>	<b>244.37</b>	<b>554.65</b>	<b>766.09</b>	<b>1428.58</b>	<b>1110.25</b>
IV	<b>EXPENSES</b>					
a	Cost of Raw Materials Consumed	182.24	306.41	329.07	996.54	542.69
b	Changes in inventories of Finished Goods, Work-in-progress and stock-in-trade	-9.80	37.56	15.55	(4.29)	16.41
c	Sub Contract and Labour payments	0.00	0.00	0.00	0.00	0.00
d	Employee benefits expenses	47.34	101.43	11.62	227.09	70.45
e	Financial costs	-204.52	89.98	172.61	53.30	327.95
e	Depreciation & Amortisation expenses	28.85	47.10	27.54	170.00	188.02
f	Other Expenditure	78.42	78.85	188.48	247.68	240.52
	<b>Total Expenses</b>	<b>122.53</b>	<b>661.33</b>	<b>744.87</b>	<b>1690.32</b>	<b>1386.04</b>
V	<i>Profit / (Loss) before extra-ordinary items and tax (III-IV)</i>	<b>121.84</b>	<b>(106.68)</b>	<b>21.22</b>	<b>(261.74)</b>	<b>(275.79)</b>
VI	Extraordinary Income/(Expenses)	0.00	0.00	0.00	0.00	0.00
VII	<i>Profit/(Loss) before tax</i>	<b>121.84</b>	<b>(106.68)</b>	<b>21.22</b>	<b>(261.74)</b>	<b>(275.79)</b>
VIII	<i>Tax expenses :</i>					
	<i>Current Tax</i>					
	<i>Deferred Tax</i>	-0.47	0.00	8.79	(0.47)	8.79
IX	<i>Profit/(Loss) after tax</i>	<b>121.37</b>	<b>-106.68</b>	<b>30.01</b>	<b>-261.27</b>	<b>-267.00</b>
X	<b>OTHER COMPREHENSIVE INCOME</b>					
a.	Re-measurement gain/(losses) on defined benefit plans	-2.32	(2.17)	(65.11)	1.82	33.81
b.	Income tax effect	-0.47	0.00	(8.79)	(0.47)	(8.79)
c.	Items that will be reclassified to Profit & Loss	0.00	0.00	0.00	0.00	0.00
d.	Income tax relating to items that will be reclassified to Profit & Loss	0.00	0.00	0.00	0.00	0.00
XI	<i>Net Profit/(Loss) after tax</i>	<b>118.58</b>	<b>(108.85)</b>	<b>(43.89)</b>	<b>(259.92)</b>	<b>(241.97)</b>
XII	Paid-up equity share capital (Face value of the Share Rs.10/- each)	1964.57	1964.57	1964.57	1964.57	1964.57
XIII	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00
XIV	Earnings Per Share of Rs.10/- each (not annualised)					
	(a) Basic	0.60	(0.54)	0.15	(1.32)	(1.23)
	(b) Diluted	0.60	(0.54)	0.15	(1.32)	(1.23)
Notes :-						
1	The above is an extract of the detailed format of financial result filed with the Stock Exchange under Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. The Full format of the audited financial results are available on the Stock exchange website (www.bseindia.com) and on Company's website (www.srfootwears.com)					
2	The company has prepared these standalone financial results in accordance with the Companies(Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013.					
3	The statutory auditors have carried out the audit for the year ended 31.03.2022. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures up to the third quarter of the current financial year which were subject to limited review.					
4	Figures of the previous periods have been regrouped/reclassified/restated wherever necessary.					
5	The Management of the Company has written off book debts net amounting Rs 2.72 Lakh being non recoverable.					
	Place : Mohali	<b>For S. R. INDUSTRIES LTD.</b>				S.R. Industries Limited
	Date: 31-06-2022	Amit Mahajan Director (Commercial) (Power Suspended)				DIN : 00038827



**S.R. INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022**

All amounts in Rupees , unless otherwise stated

Particulars	Note No.	For the Year ended 31/03/2022	For the Year ended 31/03/2021
<b>A Cash Flow from Operating activities</b>			
1 Profit before Tax			
2 Adjustments to reconcile Profit before Tax to Net cash Flows:		(2,61,74,968)	(2,75,79,950)
Depreciation and amortisation Expense	3	1,70,00,774	1,88,03,429
Bad debts, advances and securities written off		(17,38,775)	1,10,67,348
Interest Income	18	-	(92,898)
Finance Costs	21	53,30,440	3,27,94,676
Deferred Income Recognised during the year		(14,85,201)	-
Liabilities/ Provisions Written back due to Actuarial Gain/(Loss)		-	33,81,964
3 Operating Profit before working capital adjustments (1+2)		1,91,07,238	6,59,54,519
4 Working capital adjustments:		(70,67,730)	3,83,74,569
Trade and other receivables and prepayments		(1,07,11,418)	(1,14,28,746)
(Increase)/Decrease in Inventories		19,56,154	64,58,938
Increase/(Decrease) Trade and other payables and Provisions		75,21,822	(69,74,749)
5 Cash generated from Operations (3+4)		(12,33,443)	(1,19,44,557)
6 Taxes (Paid) /Refund		(83,01,173)	2,64,30,012
7 Net Cash Flows from Operating Activities (5-6)		-	-
<b>B Cash Flow from Investing activities:</b>		(83,01,173)	2,64,30,012
Purchase of Property, Plant and Equipment(PPE)	3	(5,97,103)	(2,16,779)
Proceeds from fixed deposits matured during the year		-	10,08,434
Interest Income	18	-	92,898
Net cash used in Investing activities:		(5,97,103)	8,84,553
<b>C Cash Flow from financing activities:</b>			
Increase/(Decrease) in Equity Share Capital		-	-
Increase/(Decrease) in Capital Reserve		-	-
Increase/(Decrease) in Repayments of Term Loans		-	-
Increase/(Decrease) in Repayments of Cash Credit		(24,38,020)	(27,13,128)
Increase/(Decrease) in Interest accrued and due on Cash Credit		(1,51,61,368)	1,39,56,957
Increase/(Decrease) in Interest accrued and due on TL		-	98,65,850
Increase/(Decrease) in Unsecured Loans		3,19,82,053	(2,08,52,135)
Finance Costs	21	(53,30,440)	(3,27,94,671)
Net cash used in financing activities:		90,52,225	(3,25,37,127)
<b>D Net change in cash and cash equivalents (A+B+C)</b>		1,53,949	(52,22,562)
E - 1 Cash and cash equivalents at the beginning of the year		4,55,658	56,78,220
E - 2 Cash and cash equivalents at year end		6,09,607	4,55,658



**INDEPENDENT AUDITOR'S REPORT**

To

The Members of S.R. Industries Limited  
(Company under Corporate Insolvency Resolution Process)

Pursuant to an order of the Hon'ble National Company Law Tribunal, Chandigarh ("NCLT") dated December 21, 2021, Corporate Insolvency Resolution Process ("CIRP") of the Company had been initiated and Sh. R.K Jain, (IP Registration No. IBBI/IPA-001/IP- P00543/2017-18/10968) had been appointed as the Resolution Professional (RP) under Insolvency and Bankruptcy Code 2016 ("Code"), against the proceedings initiated under CIRP vide Order No.CP(IB) No.198/Chd/Pb/2021 of the National Company Law Tribunal, Chandigarh Bench dated 21.12.2021 on the petition of UCO Bank for default in the payment of financial debt.

**Qualified Opinion**

We have audited the accompanying standalone IndAS Financial statements of **S.R. Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS 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, *except for the effects of the matters described in the basis for qualified opinion section*, the aforesaid standalone IndAS financial statements give the information required by the Companies Act, 2013 (as amended from time to time) hereinafter referred to as the 'Act' in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.





*The company has made provisioning of simple interest in the financial statements for the first 3 Quarters on the amounts due towards SBI at the rate of 10% and UCO Bank at the rate of 12%. However, now, since the Corporate Insolvency Resolution Process has been initiated against the Company and the accounts of the Company have been classified as NPA, there is no credible information on the basis of which the liability of the Company can be ascertained, and hence, provision of interest earlier made during the first 3 quarters has now been reversed while preparing the Annual Results for the year as the management is expecting full waiver of interest as per the Resolution Plan to be approved under Corporate Insolvency Resolution Process..*

### **Emphasis of Matter**

### **Key Audit Matters**

Key Audit Matters are those matters, which in our professional judgment, were of most significance in the audit of Financial Statements of Current Period and these matters were addressed in the context of audit of financial Statements as a whole and auditor does not provide a separate opinion on these matters.

### **Other Audit Matters**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the directors' report and the corporate governance report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

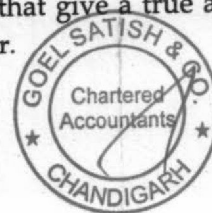
Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the 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. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

The balances of trade receivables, trade payables, deposits and loans & advances as appearing in the books of accounts of company are subject to verification and reconciliation.

The GST liability payable by the company (if any) would be subject to reconciliation and verification. The differences, if any, with the Books of Accounts, will be dealt with at the time of filing of Annual Return in Form GSTR-9 by the company.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 financial 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 controls 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone financial statements of the current period 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.

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

1. As required by Section 143(3) of the Act, based on our audit and subject to notes to accounts 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.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

UDIN: 22089414ALLHNF8329

Place: Chandigarh  
Date : 21.06.2022

For M/S Goel Satish & Co.  
Chartered Accountants  
Firm Registration No. 010693N



*Satish Goel*  
(CA. Satish Goel)  
Proprietor  
Membership No. 089414



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

{Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of S.R. Industries Limited (Company under Corporate Insolvency Resolution Process) of even date}

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **S.R. Industries Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

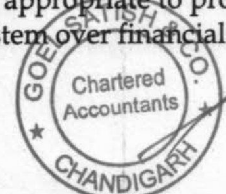
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## 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, 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components 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.

Place: Chandigarh  
Date : 21.06.2022

For M/S Goel Satish & Co.  
Chartered Accountants  
Firm Registration No. 010693N



(CA. Satish Goel)  
Proprietor  
Membership No. 089414

UDIN: 22089414ALLHNF8329



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of S.R. Industries Limited (Company under Corporate Insolvency Resolution Process) of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (b) The Company has a program of verification to cover all the items of Property, plant and equipment. Pursuant to the program, Property, plant and equipment were physically verified by the management during the year. However, according to the information and explanations given to us, no material discrepancies are ascertained.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of the Company's Inventory:

- (a) The management has carried out physical verification of inventory at reasonable intervals and no discrepancies of 10% or more for each class of inventory were noticed during the year.
- (b) The accounts of the Company have been classified as Non-Performing Assets by the Banks (SBI and UCO Bank) since 30.06.2017 and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has not made investments in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties and hence reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loan, investment nor provided any guarantees and securities under Sections 185 and 186 of the Act and hence reporting under clause 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted deposits during the year and hence reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.





vii. In respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, with certain delays, the dues including, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities *except Provident Fund, Employee's state Insurance, Income Tax (TDS & TCS).*
- (b) Further, as at 31st March 2022, there are certain dues which have been outstanding for a period of more than six months from the date they became payable.

Nature of the statute	Nature of dues	Amount (₹ Lakhs)
Employees' State Insurance Act, 1948	Employee's State Insurance	0.92
Employee's Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	1.25
Income Tax Act, 1961	Income Tax (TDS)	0.84
Income Tax Act, 1961	Income Tax (TCS)	0.18

However, the said outstanding dues shall be dealt with in accordance with the Resolution Plan under Corporate Insolvency Resolution Process

- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ Lakhs)
Central Excise Act, 1944	Excise Duty	High Court	2001	44.00

The matters stated above are pending for adjudication at relevant authorities.

- viii. 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.
- ix. (a) The accounts of the Company have been classified as Non-Performing Assets by the Banks (SBI and UCO Bank) since 30.06.2017.
- (b) As per the information and data made available to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) On an overall examination of the financial statements of the Company, the loan taken by the Company has been utilised for the purposes for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.



- (f) The Company has not raised any loans during the year by pledging the securities held in their subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company *doesn't* has an adequate internal audit system commensurate with the size and the nature of its business. However, we are informed that the company has effective internal control system in place.
- (b) Since *no internal audit was conducted for the year under audit*, we have not considered any internal audit reports in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. 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 Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.





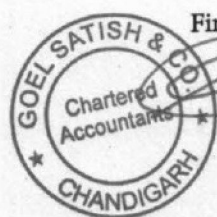
- xvii. The Company has incurred cash losses of Rs. 91.74 Lac and Rs. 87.77 Lac during the financial year covered by our audit and the immediately preceding financial year respectively.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis 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 and based on our examination of the evidence supporting the assumptions, *there are certain things which have come to our attention like classification of company's loan accounts as NPA and the initiation of The Corporate Insolvency Resolution Process against the company U/S 7 of the Insolvency and Bankruptcy Code, 2016 vide Order No. CP(IB) No. 198/Chd/Pb/2021 of the National Company Law Tribunal, Chandigarh Bench dated 21.12.2021 on the petition of UCO Bank for default in the payment of financial debt.*

*The above stated facts cause us to believe that material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*

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.

- xx. The provisions of Section 135 of Companies Act, 2013, are not applicable to the company, so reporting under clause 3(xx) of the order is not required by the company.
- xxi. In our opinion and according to the information and explanations given to us, the Company is not required to prepare any Consolidated Financial Statements and therefore reporting under clause 3(xxi) of the Order is not applicable to the Company.

Place: Chandigarh  
Date: 21.06.2022



For M/S Goel Satish & Co.  
Chartered Accountants  
Firm Registration No. 010693N

*Satish Goel*  
(CA. Satish Goel)  
Proprietor  
Membership No. 089414

UDIN: 22089414ALLHNF8329





## S.R. Industries Limited

CIN: L29246PB1989PLC009531

Regd. Off.: E-217, Industrial Area, Phase 8B

Mohali, Punjab - 160071

Website: www.srfootwears.com

Email: info@srfootwears.com

Tel: +91 172 4602888

To,  
The Manager (Listing)  
The Bombay Stock Exchange Limited  
Phiroze Jee Jeebhoy Tower  
25<sup>th</sup> Floor, Dalal Street  
Mumbai - 400 001

Date: 22/06/2022

**Scrip Code - 513515 Symbol - SRIND**

**Subject Declaration under Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**Ref.: SEBI Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.**

Dear Sir/ Madam,

In compliance with the provisions of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read along with SEBI Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016, We, S R Industries Limited ('the Company'), hereby declare that M/s Goel Satish & Co., Chartered Accountants (FRN: 010693N), Statutory Auditors of the Company have issued Audit Report with unmodified opinion on Audited Financial Results of the Company for the Quarter/Financial Year ended March 31, 2022.

Kindly take note of the same.

Thanking you,

Yours Faithfully,

For **S R Industries Limited**

Rajender Kumar Jain  
IP Registration No: IBBI/IPA-001/IP-P00543/2017-18/10968  
Resolution Professional