

Sumeet

INDUSTRIES LIMITED

CIN : L45200GJ1988PLC011049

REGD. OFF. : 504, TRIVIDH CHAMBER, 5TH FLOOR, OPP. FIRE BRIGADE STATION, RING ROAD, SURAT - 395 002, INDIA.

Phone : (91-261) 2328902 Fax : (91 261) 2334189

E-mail : info@sumeetindustries.com Visit us at : www.sumeetindustries.com

Date : 30/05/2022

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, FORT,
Mumbai - 400 001

To,
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai : 400 051

Scrip Code - 514211

Symbol - SUMEETINDS

Sub. : Out Come of the Board Meeting held on 30th May, 2022

Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors in its meeting held today, 30th May, 2022, have, inter alia, considered and approved the following:

1. Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2022 along with Statement of Assets and Liabilities and Cash Flow Statement for the financial year ended 31st March, 2022.
2. Auditors report on the Audited Standalone and Consolidated financial results for the quarter and financial year ended 31st March, 2022.
3. The Company has not declared any dividend on equity shares for the year ended 31st March, 2022.
4. Statement on impact of Audit Qualifications on Audited Standalone and Consolidated financial results for the financial year ended 31st March, 2022.
5. On recommendation of Audit Committee M/s. Gaurav V. Singhvi & Co. LLP, Practicing Chartered Accountant has been appointed as Internal Auditor of the Company for the financial year 2022-23.
6. M/s. Dhiren R. Dave & Co., Practicing Company Secretaries has been appointed as Secretarial Auditor of the Company for the financial year 2022-23.

This is for your information and record please.

Thanking you.

For Sumeet Industries Limited

Anil Kumar Jain
Company Secretary

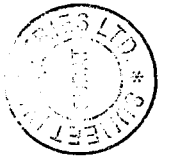
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PARTICULARS	STANDALONE						CONSOLIDATED					
	QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED	
	31/03/22	31/12/21	31/03/21	31/03/22	31/03/22	31/03/21	31/12/21	31/03/21	31/03/22	31/03/21	31/03/22	31/03/21
1	Audited	Un-Audited	Audited	Audited	Audited	Un-Audited	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	28262.34	20444.86	23159.00	89350.44	57386.63	20444.86	23159.01	23159.01	89350.44	23159.01	89350.44	57386.64
Other Income (Refer Note no.3)	329.27	1680.25	159.52	2099.88	290.35	1680.25	159.52	159.52	2090.64	159.52	2090.64	290.35
Total Income	28591.61	22125.11	23318.52	91450.32	57676.98	22125.11	23318.53	23318.53	91441.08	23318.53	91441.08	57676.99
3	Expenses:											
(a) Cost of materials consumed	22334.19	13695.38	17262.94	65550.44	40589.78	13695.38	17262.94	17262.94	65550.44	17262.94	65550.44	40589.78
(b) Purchases of stock-in-trade	0.00	0.00	-1.53	0.00	98.07	0.00	-1.53	-1.53	0.00	-1.53	0.00	98.07
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-1430.92	1613.97	-809.59	619.05	435.16	1613.97	-809.59	-809.59	619.05	-809.59	619.05	435.16
(d) Employee benefits expense	828.20	563.34	733.39	2442.14	1877.60	563.34	733.39	733.39	2442.14	733.39	2442.14	1877.60
(e) Finance costs (Refer Note no.4)	570.69	748.28	239.28	2654.51	316.85	748.28	239.29	239.29	2654.51	239.29	2654.51	316.86
(f) Depreciation and amortisation expense	777.21	791.96	944.34	3140.99	3579.77	791.96	944.34	944.34	3140.99	944.34	3140.99	3579.77
(g) Other expenses (Refer Note no.5)	6869.48	3819.91	4224.23	17309.49	11985.41	3819.91	4228.32	4228.32	17309.93	4228.32	17309.93	11989.50
Total Expenses	29948.85	21232.84	22593.06	91716.62	58882.64	21232.84	22597.16	22597.16	91717.06	22597.16	91717.06	58886.74
4	Profit / (Loss) from continuing Operations before Exceptional items											
	-1357.24	892.27	725.46	-266.30	-1205.66	892.27	-1366.92	892.27	-275.98	721.37	-275.98	-1209.75
5	Exceptional items (Refer Note no.6)											
	3.55	0.00	0.19	3.55	0.19	0.00	3.55	0.00	3.55	0.19	3.55	0.19
6	Profit / (Loss) from continuing Operations before tax											
	-1360.79	892.27	725.27	-269.85	-1205.85	892.27	-1370.47	892.27	-279.53	721.18	-279.53	-1209.94
7	Tax expense:											
(a) Current tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Deferred tax	-570.91	0.00	-498.31	-570.91	-498.31	0.00	-570.91	-498.31	-570.91	-498.31	-570.91	-498.31
(c) MAT Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Taxation of previous year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

[Handwritten Signature]



SUMEET INDUSTRIES LIMITED

PARTICULARS	STANDALONE						CONSOLIDATED					
	QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED	
	31/03/22	31/12/21	31/03/21	31/03/22	31/03/21	31/03/22	31/12/21	31/03/21	31/03/22	31/03/21	31/03/22	31/03/21
8 Profit (Loss) for the period	-789.88	892.27	1223.58	301.06	-707.54	-799.56	892.27	1219.49	291.38	-711.63		
9 Other Comprehensive Income:												
A. Items that will not be reclassified to profit or loss												
(i) Remeasurements of defined benefits obligations	28.05	0.00	43.99	28.05	43.99	28.05	0.00	43.99	28.05	43.99	28.05	43.99
Less : Income tax relating to above item	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Fair value of equity instruments through other comprehensive income	0.26	-1.05	0.69	1.88	1.87	0.26	-1.05	0.69	1.88	1.87	1.88	1.87
Less : Income tax relating to above item	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Items that will be reclassified to profit or loss												
(i) Exchange Difference in translating the financial statement of a foreign operation	0.00	0.00	-91.14	0.00	0.00	-622.93	-78.53	483.50	-251.98	574.64		
(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Comprehensive Income net of taxes	28.31	-1.05	-46.46	29.93	45.86	-594.62	-79.58	528.18	-222.05	620.50		
Total Comprehensive Income for the period	-761.57	891.22	1177.12	330.99	-661.68	-1394.18	812.69	1747.67	69.33	-91.13		
11 Paid up Equity Share Capital (Face value Rs.10/-)	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24	10364.24
12 Other Equity (excluding Revaluation Reserve) as per Balance Sheet of previous accounting year	-	-	-	-	-	-	-	-	-	-	-	-
13 Earnings per equity share of Rs.10/- each (For continuing and total operations) - not annualised												
(a) Basic	-0.73	0.86	1.14	0.32	-0.64	-1.35	0.78	1.69	0.07	-0.09		
(b) Diluted	-	-	-	-	-	-	-	-	-	-	-	-

FOR SUMEET INDUSTRIES LIMITED



[Signature]

SUMEET SHANKARLAL SOMANI
MANAGING DIRECTOR

Place : Surat
Date : 30/05/2022

SUMEET INDUSTRIES LIMITED

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STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2022

Particular	(Rupees in Lakhs)			
	STANDALONE		CONSOLIDATED	
	31/03/22 Audited	31/03/21 Audited	31/03/22 Audited	31/03/21 Audited
I. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	21152.47	24179.35	21152.47	24179.35
(b) Capital Work in Progress	-	-	-	-
(c) Investment Property	-	-	-	-
(d) Goodwill	-	-	-	-
(e) Other Intangible Aseets	-	-	-	-
(f) Intangible Aseets under Development	-	-	-	-
(g) Financial Assets				
(i) Investments	2285.89	2213.99	12.12	8.85
(ii) Trade Receivables	-	-	-	-
(iii) Loans	1498.46	1692.03	1498.46	1692.03
(iv) Other Financial Assets	891.99	939.08	891.99	939.08
(h) Deferred Tax Assets	-	-	-	-
(i) Other non current assets	-	-	-	-
Subtotal	25828.81	30946.26	23555.04	28741.12
(2) Current Assets				
(a) Inventories	15561.40	16337.56	15561.40	16337.56
(b) Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade Receivables	12098.69	10843.66	11652.60	10411.03
(iii) Cash and Cash Equivalents	30.63	83.36	30.63	83.36
(iv) Loans	-	-	-	-
(v) Other Financial Assets	-	-	-	-
(c) Others Current Assets	8873.48	8861.08	8873.48	8861.08
Subtotal	36564.20	34203.85	36118.11	33771.22
TOTAL ASSETS	62393.01	65150.11	59673.14	62512.34



SUMEET INDUSTRIES LIMITED

Particular	STANDALONE		CONSOLIDATED	
	31/03/22	31/03/21	31/03/22	31/03/21
	Audited	Audited	Audited	Audited
II EQUITY AND LIABILITIES				
(1) Equity				
Share Capital	10364.24	10364.24	10364.24	10364.24
Other Equity	-7790.64	-8207.32	-15646.43	-15801.45
Subtotal	2573.60	2156.92	-5282.19	-5437.21
(2) Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	4646.05	3194.37	4646.05	3194.37
(ii) Trade Payable	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	-
(b) Provisions	-	-	-	-
(c) Deferred Tax liabilities (Net)	3766.51	4337.42	3766.51	4337.42
(d) Other non current liabilities	273.82	229.26	273.82	229.26
Subtotal	8686.38	7761.05	8686.38	7761.05
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	44564.70	50100.67	50484.10	55841.40
(ii) Trade Payable Due to : Micro, Small & Medium Enterprises	878.53		878.53	
Other than Micro, Small & Medium Ent.	4838.98	4370.75	4051.44	3574.41
(iii) Other Financial Liabilities	0.00	0.00	0.00	0.00
(b) Other Current Liabilities	850.83	760.72	842.54	760.72
(c) Provisions	0.00	0.00	12.34	11.97
Subtotal	51133.04	55232.14	56268.95	60188.50
TOTAL EQUITY AND LIABILITIES	62393.02	65150.11	59673.14	62512.34

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rupees in Lakhs)

Particular	STANDALONE		CONSOLIDATED	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Audited	Audited	Audited	Audited
A Cash Flow From Operating Activities				
Net Profit before tax and Extraordinary Items	-239.92	-1159.99	-249.60	-1164.09
Depreciation	3140.99	3579.77	3140.99	3579.77
Fair Value on investment	-	-	-	-
Foregin Exchange Difference	-	56.44	-251.98	574.64
Loss on sale of Asset	3.55	0.18	3.55	0.19
Interest on Income Tax	-	-	-	-
Loss on sale of Investment	-	271.65	-	271.65
Interest Paid	2446.31	310.65	2446.31	310.65
Other Adjustment to reconcile profit	85.68	-	85.68	28.04
Less:	5676.53	4218.69	5424.55	4764.93
Fair Value on Investment	-	1.87	-	1.87
Interest Income	173.98	298.59	173.98	167.78
Profit on sale of Asset	-	-	-	-
Dividend Income	0.20	0.02	0.20	0.02
	174.18	300.48	174.18	169.67
		5502.35		4595.26
		3918.21		5250.37
Operating Profit before Working Capital Changes				
Trade Receivables	-1255.03	-1769.99	-1241.57	7129.68
Other asset	34.69	619.05	34.69	619.05
Inventories	776.16	673.66	776.15	673.65
Trade Payables	1346.76	-725.61	1355.56	-9990.50
Other Financial Liability	0.00	395.96	-	395.96
Other Liabilities	134.67	131.61	126.39	131.61

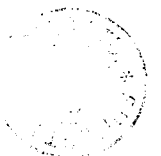


SUMEET INDUSTRIES LIMITED

Particular	STANDALONE		CONSOLIDATED	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Audited	Audited	Audited	Audited
Provision	0.00	-	0.37	-30.01
Tax Paid	1037.25	-675.33	1051.60	-1070.56
	0.00	0.00	0.00	0.00
Net Cash Flow From Operating Activities (A)	6299.68	2082.89	6052.37	2360.61
Cash Flow From Investing Activities:				
<u>Fixed Assets & Work in Progress</u>				
Sale of Fixed Assets	4.19	0.40	4.20	0.40
Purchase of Fixed Assets	-121.85	-30.09	-121.85	-30.09
Increase/(Decrease) in Fixed Asset due To Exchange Difference	0.00	-136.53	0.00	-136.52
<u>Investments</u>				
Purchase of Investments	-71.90	-0.11	-3.27	-0.11
Sale of Investments	0.00	110.00	-	110.00
Dividend received	0.20	0.02	0.20	0.02
Interest Income	173.98	298.59	173.98	167.78
Net Cash Flow From Investing Activities (B)	-15.37	242.28	53.26	111.48
Cash Flow From Financing Activities:				
Equity Share Capital raised	-	-	-	-
Security premium received	-	-	-	-
Increase / Decrease in Borrowings	-4084.30	-1803.89	-3905.62	-1803.89
Increase / Decrease in Loans & Advances	193.57	-178.74	193.57	-178.74
Interest Paid	-2446.31	-310.65	-2446.31	-310.65
Net Cash Flow From Financing Activities (C)	-6337.04	-2293.27	-6158.36	-2293.27
Net Increase in Cash & Cash equivalents	-52.73	31.90	-52.73	178.81
Opening Cash and Cash equivalents	83.36	51.46	83.36	51.46
Closing Cash and Cash equivalents	30.63	83.36	30.63	83.36
	-52.73	31.90	-52.73	31.90

NOTES :-

- The above financial results have been reviewed by the Audit Committee on dated 27th May 2022 and approved by the Board of Directors of the company at its meeting held on 30th May, 2022. The Statutory Auditor have carried out audit of the result for the quarter and year ended 31st March, 2022.
- The Annual Consolidated financial results have been prepared by consolidating the Companies' Audited Annual Accounts for the financial year 2021-22 with the annual accounts of its wholly owned subsidiary company named "Sumeet Global Pte Ltd", Singapore.

SUMEET INDUSTRIES LIMITED

- 3 Due to settlement of debt with TFCIL and State Bank of India under OTS proposal being paid during the year, the company has net gain of Rs. 1627.38 Lakhs which is shown in Other Income.
- 4 In the meeting held on 19th February 2022 of Joint Consortium Lenders, it was proposed that on continuing sustainable debts of Rs 376.42 Crore, interest to be charged as per the rate proposed in the meeting from 01.04.2021. Accordingly, the company has booked interest amount of Rs. 23 Crore in the books of accounts shown under Finance cost.
- 5 Other expenses include an amount of Rs. 1096.69 Lakh towards bad and doubtful debts written-off .
- 6 Exceptional items showing amount of (Rs.03.56 Lacs) loss on sale of fixed assets (Vehicles).
- 7 The company has undergone severe financial stress since last 3-4 years and due to defaults in repayment of principals and interest to the lenders, classification of company borrowing as Non- performing Assets (NPA) by its lenders. Out of Consortium lenders, IDBI Bank and other one of Secured foreign lenders have initiated Insolvency and Bankruptcy proceedings against the Company under IBC Code2016. However, in all of such cases, the petition of the concerned creditors has not been yet admitted by the competent court of law. Management is taking necessary steps to resolve the issue of such creditors. The Company has submitted Debt Restructuring Plan to Bank of Baroda (Lead Banker) along with Consortium Banks. Consortium Lenders Banks is in the process of signing Inter-Creditors Agreements (ICA) for resolution plan for restructuring the debts of the company.
- Plants of the company are fully operational and the management of the view that above circumstances will not affect the operations of the company and continue to prepare its financial statements on going concern basis.
- 8 These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.
- 9 The Company is operating in Textile Business only therefore, there is only one reportable segment in accordance with the Accounting Standards AS-17 issued by ICAI.
- 10 Figures for the quarter ended 31st March, 2022 and 31st March, 2021 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2022 and 31st March, 2021 and the unaudited published year to date figures up to 31st December, 2021 and 31st December, 2020 respectively being the dates of the end of the third quarters of the financial years which were subjected to limited review.
- 11 The figures of previous period are regrouped/reclassified wherever necessary to correspond to the figures of the current reporting period.
- 12 Statement of Impact of Audit Classification being qualified opinion for the financial year ended 31st March, 2022 on Standalone Financial Result is enclosed as Annexure-1.
- 13 Information of Standalone financial results of the company in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
Total Income	28591.61	22125.11	23318.52	91450.32	57676.98
Profit Before Tax	-1360.79	892.27	725.27	-269.85	-1205.85
Net Profit for the period/year after Tax	-789.88	892.27	1223.58	301.06	-707.54
Total Comprehensive income for the period/year	-761.57	891.22	1177.12	330.99	-661.68

Place : Surat

Date : 30/05/2022



FOR SUMEET INDUSTRIES LIMITED

SUMEET SHANKARLAL SOMANI
MANAGING DIRECTOR



Independent Auditor's Report on Standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Sumeet Industries Limited
504, Trividh Chamber,
Opp. Fire Station,
Ring Road, Surat-395002
Gujarat, India

We have audited the accompanying statement of quarterly and year to date standalone financial results of Sumeet Industries Limited for the quarter and year ended March 31, 2022, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone 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 ("Ind AS") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2011, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion except:

- The company has not created provision for interest on loan taken from bank and financial institutions for the year ending 31.03.2022 on Rs 62.42 cr (Rs438.84 – Rs376.42)cr being other than proposed continuing sustainable debt. The same will result in overstatement of profit..

- The company has not created provision for Interest amounting to Rs 30,69,475/- on delayed payment of MSME dues resulting in overstatement of profit.

In our opinion and to the best of our information and according to the explanation given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and
- (ii) give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, other comprehensive income and other financial information for the quarter and year ended March 31, 2022.

The quarterly standalone financial results for the period ended March 31, 2022 are the derived figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the current financial year, which was subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No CIR/CFD/FAC/62/2016 dated July 5, 2016

FOR H. TOSNIWAL & CO.
CHARTERED ACCOUNTANTS



CA. HARISHANKAR TOSNIWAL
PARTNER
M.NO. 055043
PAN : AACFH1890B
FRN:0111032W

PLACE : SURAT
DATE : 30/05/2022

UDIN : 22055043AJWKJG8178



Independent Auditor's Report on Consolidated Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Sumeet Industries Limited
504, Trividh Chamber,
Opp. Fire Station,
Ring Road, Surat-395002
Gujarat, India

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Sumeet Industries Limited ("the holding company") and its subsidiary, the Holding Company and its subsidiary together referred to as ("the Group"), for the quarter and year ended 31st March 2022 ("the statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the holding company's management and approved by the Board of Directors of the holding company, has been compiled from the related consolidated financial statements which has been prepared in accordance with Indian Accounting ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such consolidated financial statements.

We conducted our audit in accordance with Standards on Auditing issued by Institute of Chartered Accountant of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statement of Sumeet Global PTE Ltd (wholly owned subsidiary) whose financial statements reflect total assets is NIL as at 31st March, 2022, total revenues of Rs. 7.41 Lakhs and Net Profit of Rs. 6.97 Lakhs for the year ended 31st March 2022, which are considered in the consolidated financial statements. The subsidiary company has been elected under section 205(C)(3) of the Companies Act to have Financial Statements exempted from the audit requirements. Hence, the Practitioner's Compilation Report has been provided by the management to us for the consolidation, which clearly mentions that:

Contd.....2

“We performed this compilation engagement in accordance with Singapore Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with Financial Reporting Standard in

Singapore (FRSs). We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us to compile these financial statements. Accordingly, we don't express an audit opinion or a review conclusion on whether these financials statements as prepared in accordance with FRSs.”

And so, our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financials statements is based solely on the compilation report of such other auditor/management.

In our opinion and to the best of our information and according to the explanations give to us and based on the consideration of the report of the other auditor on separate financial statement and other financial information of the subsidiary, these consolidated financial results for the year :

- (i) includes the results of the Sumeet Global PTE Ltd (wholly owned subsidiary)
- (ii) is presented in accordance with the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended; and
- (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards & other accounting principles generally accepted in India of the consolidated net profit (including other comprehensive income) and other financial information of the Group for the year ended 31st march, 2022.

**FOR H. TOSNIWAL & CO.
CHARTERED ACCOUNTANTS**



**CA. HARISHANKAR TOSNIWAL
PARTNER
M.NO. 055043
PAN : AACFH1890B**



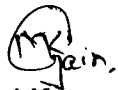

**PLACE : SURAT
DATE : 30/05/2022**

UDIN : 22055043AJWKJG8178

Annexure-I

Statement on Impact of Audit Qualification for the financial year ended 31st March, 2022 on Standalone Financial Statements				
(Rs. In Lakh)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	91450.32	91450.32
	2.	Total Expenditure	91119.33	91150.02
	3.	Total Comprehensive Net Profit/(Loss)	330.99	300.30
	4.	Earnings Per Share	0.32	0.29
	5.	Total Assets	62393.01	62393.01
	6.	Total Liabilities	62393.01	62423.70
	7.	Net Worth	2573.60	2542.91
	8.	Any other financial item(s)	Not Applicable	Not Applicable
II.	Audit Qualification:			
	a. Details of Audit Qualification:			
	As mentioned in Note no.2 (Basis for Qualified opinion),			
	i) The company has not created provision for interest on loan taken from bank and financial institutions for the year ending 31.03.2022 on Rs 62.42 Crores (Rs. 438.84 Crores less Rs. 376.42 Crores) being other than continuing sustainable debt. The same will result in overstatement of profit.			
	ii) The company has not created provision for Interest amounting to Rs 30,69,475/- on delayed payment of MSME dues resulting in overstatement of profit.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification : Point No. i) : Third time Point No. ii) : First time			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	As explained in the Note 4 of Audited Standalone Results published as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that in the meeting held on 19th February, 2022 of Joint Lenders, it was proposed that on continuing sustainable debts of Rs. 376.42 Crores, interest to be charges as per the rate prosed in the JLM meeting with effect from 01.04.2021. Accordingly the company has booked interest amount of Rs. 23.00 Crores in books of account and shown under finance cost on the basis of interest proposed as per plan in JLM meeting. The Interest is not provided on balance amount of unsustainable debts as mentioned in point (i) of Audit Qualification.			



	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification : NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>The Company has booked interest on sustainable debts as per proposed plan approved in the JLM. Interest has not been provided on un-sustainable debt of Rs. 62.42 Crores and the same is not ascertainable being the debt has been kept in unsustainable category in proposed restructuring plan.</p> <p>(iii) Auditors' Comments on:</p> <p>i) Considering the significance of the judgments used by the management and non implementation of the proposal we have considered this as Key Audit Matter. Refer "Basis for Qualified Opinion "in the Audit report on Standalone Financial Statements dated 30.05.2022.</p> <p>ii) N. A.</p>
<p>III. For Sumeet Industries Limited</p>	<div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  Sumeet Shankarlal Somani Whole-Time Director </div> <div style="text-align: center;">  Abhishek Prasad CFO </div> <div style="text-align: center;">  Manoj Kumar Jain Chairman of the Audit Committee </div> </div>
	<p>Place: Surat Date: 30/05/2022</p>
	<p>Refer our Independent Auditor's Report dated 30th May, 2022 on the Standalone Financial Statements of the Company.</p>
	<p>FOR H. TOSNIWAL & CO. CHARTERED ACCOUNTANTS</p> <div style="text-align: center;">  </div> <p>CA. HARISHANKAR TOSNIWAL PARTNER FRN : 0111032W M.NO. 055043</p> <p>Place: Surat Date: 30/05/2022</p>

Annexure-I

Statement on Impact of Audit Qualification for the financial year ended 31st March, 2022 on Consolidated Financial Statements

(Rs. In Lakh)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	91441.08	91441.08
	2.	Total Expenditure	91371.75	91402.44
	3.	Total Comprehensive Net Profit/(Loss)	69.33	38.64
	4.	Earnings Per Share	0.07	0.04
	5.	Total Assets	59673.14	59673.14
	6.	Total Liabilities	59673.14	59703.83
	7.	Net Worth	-5282.19	-5312.88
	8.	Any other financial item(s)	Not Applicable	Not Applicable

II. Audit Qualification:

a. Details of Audit Qualification:

As mentioned in Note no.2 (Basis for Qualified opinion),

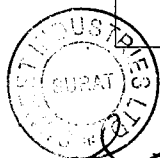
- i) The company has not created provision for interest on loan taken from bank and financial institutions for the year ending 31.03.2022 on Rs 62.42 Crores (Rs. 438.84 Crores less Rs. 376.42 Crores) being other than continuing sustainable debt. The same will result in overstatement of profit.
- ii) The company has not created provision for Interest amounting to Rs 30,69,475/- on delayed payment of MSME dues resulting in overstatement of profit.


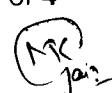
b. Type of Audit Qualification : Qualified Opinion




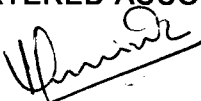
c. Frequency of qualification : Point No. i) : Third time
Point No. ii) : First time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

As explained in the Note 4 of Audited Standalone Results published as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that in the meeting held on 19th February, 2022 of Joint Lenders, it was proposed that on continuing sustainable debts of Rs. 376.42 Crores, interest to be charges as per the rate prosed in the JLM meeting with effect from 01.04.2021. Accordingly the company has booked interest amount of Rs. 23.00 Crores in books of account and shown under finance cost on the basis of interest proposed as per plan in JLM meeting. The Interest is not provided on balance amount of unsustainable debts as mentioned in point (i) of Audit Qualification.



	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification : NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>The Company has booked interest on sustainable debts as per proposed plan approved in the JLM. Interest has not been provided on un-sustainable debt of Rs. 62.42 Crores and the same is not ascertainable being the debt has been kept in unsustainable category in proposed restructuring plan.</p> <p>(iii) Auditors' Comments on:</p> <p>i) Considering the significance of the judgments used by the management and non implementation of the proposal we have considered this as Key Audit Matter. Refer "Basis for Qualified Opinion "in the Audit report on Standalone Financial Statements dated 30.05.2022.</p> <p>ii) N. A.</p>
<p>III.</p>	<p>For Sumeet Industries Limited</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  Sumeet Shankarlal Somani Whole-Time Director </div> <div style="text-align: center;">  Abhishek Prasad CFO </div> <div style="text-align: center;">  Manoj Kumar Jain Chairman of the Audit Committee </div> </div>
	<p>Place: Surat Date: 30/05/2022</p>
	<p>Refer our Independent Auditor's Report dated 30th May, 2022 on the Standalone Financial Statements of the Company.</p>
	<p>FOR H. TOSNIWAL & CO. CHARTERED ACCOUNTANTS</p> <div style="text-align: center;">  CA. HARISHANKAR TOSNIWAL PARTNER FRN : 0111032W M.NO. 055043 </div> <p>Place: Surat Date: 30/05/2022</p>