

SUDITI INDUSTRIES LTD.



Admin office: C-3/B, M.I.D.C., T.T.C. Industrial Area, Pawne Village, Turbhe, Navi Mumbai – 400 705
Tel. No: 67368600/10, web site: www.suditi.in E-mail: cs@suditi.in CIN: L19101MH1991PLC063245
Regd.Office: C-253/254, MIDC, TTC INDL.AREA, PAWNE VILLAGE, TURBHE, NAVI MUMBAI – 400 705

Ref: No. SIL/SD/10/2022-23

Date: 30.05.2022

The Secretary/Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Ref: Suditi Industries Ltd. (Script Code 521113)

Sub: Outcome of Board Meeting held on Dt. 30.05.2022 pursuant to Regulation 30 SEBI (LODR) Regulations 2015.

Dear Sir,

Ref: Financial Results (Audited) for the Quarter/ Year ended 31.03.2022.

We are pleased to inform you that the Board on 30th May, 2022 has approved and adopted the Audited Standalone/ Consolidated Financial Results for the 4th Quarter/ Year ended 31st March, 2022. Accordingly the Board has approved the following which are enclosed herewith:

1. As per regulation 33 of SEBI (LODR) Regulations 2015, we are enclosing herewith the copy of the **Audited Financial Results for the 4th Quarter/ Year ended 31st March, 2022**, Which include Financial Result, Statement of Assets and Liabilities, and Cash Flow Statement both Standalone and Consolidated duly signed by the Wholetime Director (ED) & CEO for your perusal along with the **Auditors Report** (unmodified) submitted by the Auditor M/s. Chaturvedi & Partners.
2. Declaration from the Wholetime Director (ED) & CEO on unmodified opinion in respect of the Auditor Report on the above Annual Financial Results as on 31.03.2022.
3. In view of significant losses and also considering the present pandemic and the economic conditions prevailing in the country, the Board of Director of the Company have decided not to recommend any dividend on the equity shares of the Company for the Financial Year ended 31st March, 2022

The meeting timing are commencement 6.00 P.M and conclusion 7.30 P.M. Further the Audit Committee also met today and reviewed the results.

Hope the same is in order and request you to confirm the same.

Thanking you,

Yours faithfully,

For Suditi Industries Limited


Rajagopal Raja Chinraj
Executive Director & CEO



SUDITI INDUSTRIES LIMITED



Registered Office: C-253/254. M.I.D.C., T.T.C. Industrial Area, Pawne Village, Turbhe, Navi Mumbai – 400 705.

CIN: L19101MH1991PLC063245

Tel: 67368600/10. E-mail: cs@suditi.in Website: www.suditi.in

Audited Statement of Consolidated Financial Results for the Quarter and Year ended 31st March, 2022

(Rs. in Lakhs except earning per share)

Sr. No.	Particulars	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)
		Three months ended 31.03.2022	Preceding three months ended 31.12.2021	Corresponding three month ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Revenue from operations (Net)	2,524.74	2,839.83	1,711.94	10,328.32	5,012.79
2	Other Income	28.39	16.02	30.68	85.64	30.94
3	Total Revenue (1+2)	2,553.13	2,855.85	1,742.62	10,413.96	5,043.73
4	Expenses					
	a) Cost of materials consumed	1,575.19	1,809.95	1,097.79	6,745.72	3,646.00
	b) Purchases of stock-in-trade	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,470.13	(442.18)	373.26	537.80	(57.10)
	d) Employee benefits expense	227.04	184.08	104.39	707.90	387.26
	e) Finance costs	129.47	92.58	140.50	452.15	474.05
	f) Depreciation and amortisation expense	34.93	34.68	31.89	136.57	159.09
	g) Other expenses	1,394.13	1,160.33	909.37	4,054.27	2,186.11
	Total expenses	4,830.89	2,839.44	2,657.20	12,634.41	6,795.41
5	Profit / (Loss) before exceptional and extraordinary items and tax (3-4)	(2,277.76)	16.41	(914.58)	(2,220.45)	(1,751.68)
6	Exceptional items	763.47	-	-	763.47	-
7	Profit / (Loss) before extraordinary items and tax (5-7)	(3,041.23)	16.41	(914.58)	(2,983.92)	(1,751.68)
8	Extraordinary items	-	-	-	-	-
9	Profit / (Loss) before tax (7-8)	(3,041.23)	16.41	(914.58)	(2,983.92)	(1,751.68)
10	Tax expense					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	(2.34)	0.21	2.90	2.10	3.78
11	Profit / (Loss) for the period from continuing operations (after tax) before share of profits of joint ventures and associate (9-10)	(3,038.89)	16.20	(917.48)	(2,986.02)	(1,755.46)
12	Share of Profit / (Loss) of Joint Venture and Associate	(436.48)	0.16	(197.28)	(518.85)	(527.54)
13	Profit after tax and share of Profits / (Loss) of Joint Ventures and Associate (11-12)	(3,475.37)	16.36	(1,114.76)	(3,504.87)	(2,283.00)
	Net profit attributable to:					
	a) Owners	(3,484.23)	15.80	(1,111.93)	(3,513.88)	(2,276.63)
	b) Non-controlling interest	8.86	0.56	(2.83)	9.01	(6.37)
14	Other Comprehensive Income					
	(a) Items that will not be reclassified to Profit or Loss	5.13	-	0.75	5.13	0.75
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	(1.29)	-	(0.19)	(1.29)	(0.19)
	(c) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(d) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
	Total other Comprehensive Income	3.84	-	0.56	3.84	0.56
15	Other Comprehensive Income attributable to:					
	a) Owners	3.84	-	0.56	3.84	0.56
	b) Non-controlling interest	-	-	-	-	-
16	Total Comprehensive Income (13+14)	(3,471.53)	16.36	(1,114.20)	(3,501.03)	(2,282.44)
	Total Comprehensive Income attributable to:					
	a) Owners	(3,480.39)	15.80	(1,111.37)	(3,510.04)	(2,276.07)
	b) Non-controlling interest	8.86	0.56	(2.83)	9.01	(6.37)
17	Paid-up equity share capital (Face Value of Rs.10/- per share)	1,755.41	1,755.41	1,755.41	1,755.41	1,755.41
18	Other Equity	-	-	-	(3,718.11)	(208.07)
19	Earnings per share (EPS) - Rs.10/- per share					
	a) Basic	(19.78)	0.09	(6.35)	(19.94)	(13.00)
	b) Diluted	(19.78)	0.09	(6.35)	(19.94)	(13.00)



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Notes:

- 1) The above Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 30th May, 2022.
- 2) The Consolidated financial results have been prepared in accordance with Ind AS – 110 read with Ind AS 28 which include the financial results of the parent Company – Suditi Industries Limited, its subsidiaries – Suditi Design Studio Limited, Suditi Sports Apparel Limited collectively referred to as "Group" and its joint venture--SAA & Suditi Retail Private Limited.
- 3) The audit as required under Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchange.
- 4) In view of significant loss reported for the financial year 2021-22 and also due to the adverse impact on the performance of the company because of the COVID 19 pandemic, the Board has not recommended any Dividend for the financial year 2021-22.
- 5) The Company has adopted Equity Method of Accounting while Consolidating the Financial Results of its Joint Venture Company M/s. SAA & Suditi Retail Pvt. Ltd. as per Ind AS 28 "Investments in Associates and Joint Ventures". In terms of the Joint Venture agreement executed by the Company with Project Anushka Sharma Lifestyles Pvt. Ltd., the Company has recognized the loss fully in the financial results of Suditi Industries Ltd in the Consolidated Financial Statements.
- 6) The Company is primarily in the business of manufacturing and sales of textile products (i.e., Fabrics and Garments). The Chief Operating Decision Maker (CODM), the Chairman & Managing Director, performs a detailed review of the operating results, takes decisions about the allocation of resources based on the analysis of the various performance indicators of the Company as a whole. Therefore, there is only one operating segment in accordance with Ind AS 108 "Operating Segments" namely, "Textiles".
- 7) During the year 2021-22 the company has started liquidating the old inventory accumulated due to the impact of COVID 19 pandemic and the lock down imposed on account of the pandemic. The company had to offer huge discounts, rebates and other forms of price concessions to liquidate the old inventory of finished goods as the goods have become unsaleable at market prices due to change in fashions and trends. Since the company has incurred substantial losses while disposing of the old stock, the management has decided to value the balance remaining inventory at the best saleable price ranges. Accordingly the company had to make necessary provision to account for the probable loss that may occur while disposing the stock during the current year. The company has made necessary provision amounting to Rs.626.50 lakhs and presented it in the financial statements under the head—"exceptional items".
- 8) The loss already incurred on account of disposal of old inventory along with the provision for the value written down on the old inventory of finished goods lying as on 31st. March 2022 has resulted in the huge loss reported for the quarter ended 31st. March 2022. In addition to this the company has also made necessary provision for the bad and doubtful debts which together with the discounts and other concessions offered to old debtors during the year 2021-22 have further aggravated its financial situation and accordingly the company has reported a substantial amount of loss of Rs.2896.27 lakhs.
- 9) Considering the significant losses reported and the consequent erosion of net worth, the management has made adequate plan to overcome the situation in the coming years. As a first step the promoters have agreed to support the company and based on the commitment made by the promoters the company has decided to raise additional finance amounting to a sum not exceeding Rs.30 crores by issuing additional equity shares on rights basis to the shareholders as on the record date to be announced later. The company has already filed the draft offer documents with BSE Ltd. for raising additional funds through the issue of share on Rights basis. The promoters have already issued necessary undertaking to subscribe to the issue for the unsubscribed portion of the equity if any need arises apart from their own rights. Secondly, the management has already scaled down their retail operation in order to avoid any further losses in future. Thirdly, the company has strengthened the garment division as it offers huge scope and also expand the division by setting up another unit in Vapi- Gujarat State. Finally, the management is also exploring further possibilities to reduce the bank borrowings significantly to bring down the finance charges.
- 10) In view of all the measures stated as above the management has considered the company will emerge much stronger and accordingly the accounts have been prepared on a going concern basis for the financial year 2021-22.
- 11) The subsidiary company, M/s. Suditi Sports Apparel Limited, has commenced the business activities in full swing and has reported a profit of Rs.24.67 lakhs. The company uses the online platform for the sales operations and deals in the apparel business exclusively related to the sport and other sports related activities. The company has executed various licentiate agreements with renowned sports clubs and entities during the year under review and continues the same with a view to enhance the production and sales of apparels and garments of various designs and styles. However, the company had to absorb the impact of the COVID 19 pandemic in the sales business particularly during the period up to the third quarter. However, since the situation is gradually stabilizing, the management is anticipating better prospects in the coming years. Accordingly, it is considered appropriate at this juncture to treat the company as a going concern.
- 12) The other subsidiary M/s. Suditi Design Studio Limited even though has commenced the business in full swing from 2015-19 itself, the company is not able to record adequate sales business due to the effect COVID 19 pandemic. Since the company registered significant losses due to depletion in the value of finished goods stock as on 31st. March 2022, the net worth of the company is completely eroded due to the loss. The scope for any immediate revival is not possible as the country is not completely free from the impact of the COVID 19 pandemic. In view of this the management has decided to value the remaining finished goods inventory at cost price and accordingly made necessary provision amounting to Rs.136.97 lakhs towards depletion in the value of the old inventory which is reflected in the accounts under the head "exceptional items". Considering the evolving situation, the holding company has decided to make the company a wholly owned subsidiary and accordingly has acquired the remaining 1.15% equity from the promoters of the subsidiary at face value amounting to Rs.1 lakh. The process of conversion of the partly owned subsidiary company into wholly owned subsidiary is now complete. With the improvement in market sentiments, there are reasonably good chances of better sales in the current year. Accordingly the management has considered it appropriate to continue the company as a going concern.
- 13) The joint venture company M/s. SAA & Suditi Retail Pvt. Ltd. has prepared the financial results on a going concern basis as it is a vibrant brand promoted by the celebrity actresses Ms. Anushka Sharma and her family and also M/s. Suditi Industries Limited an established quality fabric and garment manufacturer. However, in view of the old inventory lying for more than 2 years, the management has decided to write down the inventory to account for the depletion in their value. Accordingly, the company made necessary provision amounting to Rs.507.25 lakhs. The management has taken into all these factors including the support available to the company as stated above. Further since the present conditions are temporary in nature and as the management is extremely confident of turning the corner it has decided to defer the decision to critically assess the status of the going concern for the year 2022-23 barring any unforeseen circumstances.
- 14) The company has filed draft offer documents with BSE Ltd (Stock Exchange) for approval to raise additional funds not exceeding Rs.30 Crores by way of issue of additional shares to the shareholders on the record date to be announced later. Further the company has also filed additional clarifications and documents as demanded by BSE Ltd and is expecting their approval very soon. Necessary disclosures to this effect are already made to the BSE Ltd and the details of draft offer documents are also placed on the web site of the company.
- 15) The company has completed the process of converting the partly owned subsidiary company M/s Suditi Design Studio Ltd., into a wholly owned subsidiary company by acquiring the remaining 10000 shares at face value of Rs.10/- each for Rs.1 lakh equivalent 1.15% the total capital. Accordingly, from April, 2022 onwards the subsidiary company has become a wholly owned subsidiary.
- 16) a) Even though there are some respite from the disruptions due to Covid 19 impact in the business particularly from the last quarter, it has already created serious crisis in the economies of many countries. Added to this the global economic and business environment is also severely impacted due to the ongoing armed conflict in the Eastern European region. The country is not completely free from the COVID 19 pandemic and its impact still continues to affect the business prospects adversely. The Global supply chain is again adversely impacted due to spread of virus in China and its neighbouring regions. Because of the surge in the pandemic there is a huge uncertainty with respect to its longevity, severity, and fall out in the post pandemic period which cannot be reasonably ascertained. The Company has evaluated and factored all the possible effects in its working including the likely impact that may result from the COVID-19 pandemic as well as all events and circumstances up to the date of approval of these financial results on the carrying value of its assets and liabilities as at 31st March, 2021 in the best possible manner.
b) However, the impact assessment due to COVID-19 is still an on-going process given the uncertainty associated with the nature and duration. The Company will continue to monitor any material changes as the situation evolves.
- 17) The figures of the current quarter and quarter ended 31/03/2021 are the balancing figures between the audited figures of the full financial years ended 31/03/2022 and 31/03/2021 (Ind AS), respectively, and the published year-to-date Ind AS figures up to third quarters ended 31/12/2021 and 31/12/2020, respectively.
- 18) Figures are re-grouped / re-arranged and re-classified wherever necessary. The full format of the Results are also available on Company's website (www.suditi.in).



Place: Navi Mumbai
Date: 30th May, 2022



By order of Board of Directors
For SUDITI INDUSTRIES LIMITED

R. Ching

RAJAGOPAL RAJA CHINRAJ
WHOLETIME DIRECTOR (EXECUTIVE DIRECTOR)
DIN: 00158832

Suditi Industries Limited - Consolidated Results

Consolidated Cash Flow Statement for the year ended March 31, 2022

Particulars	(Rs. in lacs)	
	As at March 31, 2022	As at March 31, 2021
Cash flows from operating activities		
Profit before Tax	(2,983.92)	(1,751.69)
Adjustments for:		
Finance cost	452.15	474.05
Depreciation and amortisation of non-current assets (continuing and discontinued operations)	136.57	159.09
Share of Profit/(loss) of joint ventures/others	(518.85)	(527.54)
Prior period account	-	0.33
Amortisation of Rights Issue Expenses	-	-
Profit on sale of fixed assets	-	-
Impairment loss, net of reversals on financial assets	20.66	(0.55)
Deferred Revenue/ Deferred Tax Adjustment	-	-
Employee's Compensation & other Equity Adjustment	-	-
Operating cash flow before movement in working capital	(2,893.39)	(1,646.32)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	105.85	1,035.12
(Increase)/decrease in amounts due from customers under construction contracts	-	-
(Increase)/ decrease in inventories	1,290.55	206.03
(Increase)/decrease in other assets	(208.80)	358.74
Increase/ (Decrease) in Provisions	18.47	9.90
Increase/ (Decrease) in trade payables	883.67	(146.87)
Increase/ (Decrease) in Other Current/Financial Liabilities (excl Deferred Revenue)	1,442.34	443.79
Cash generated from/(used in) operations	638.69	260.38
Income Taxes Paid	-	-
Net cash generated by/(used in) operating activities	638.69	260.38
Cash flows from investing activities		
Payments to acquire financial assets	(137.78)	(58.68)
Proceeds on sale of financial assets	-	-
Movement in Long term loans and advances	14.10	(5.20)
Subsidy - Interest	-	-
Insurance claim received	-	-
Movement in Non Current Investments	-	-
Net cash (used in)/generated by investing activities	(123.68)	(63.88)
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	79.00	-
Proceeds from Non Current borrowings (Incl Deferred revenue)	-	-
Repayment of Non Current Borrowings	-	-
Proceeds from Current Borrowings	(127.08)	247.46
Movement in Other long term liabilities	-	(1.04)
Dividends paid on equity shares and convertible non-participating preference shares	-	-
Tax paid on Dividend	-	-
Interest paid	(452.15)	(474.05)
Net cash (used in)/ raised from financing activities	(500.23)	(227.64)
Net increase/(decrease) in cash and cash equivalents	14.78	(31.14)
Cash and cash equivalents at the beginning of the year	38.33	69.46
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
Cash and cash equivalents at the end of the year	53.11	38.33

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' in accordance with the Ind AS - 7 notified under the Section 133 of the Companies Act, 2013 & Rules made thereunder.
- The Statement of Cash Flow for the year ended 31/03/2022 has been approved by the Board of Directors based on the numbers provided by the respective Group Companies audited by other Auditors. Previous year figures have been regrouped where necessary.

	(Rs. in lacs)	
	As at March 31, 2022	As at March 31, 2021
3. Cash and Cash Equivalents comprises of:		
Cash on Hand	4.06	5.86
Balances with Banks		
- Current Accounts	29.70	9.09
Earmarked Balances with Banks		
- Unpaid Dividend	19.35	23.38
Cash and Cash Equivalents in Cash Flow Statement	53.11	38.33



Place: Navi Mumbai
Date: 30th May, 2022

By order of Board of Directors
For SUDITI INDUSTRIES LIMITED
R. Chinraj
RAJAGOPAL RAJA CHINRAJ
DIRECTOR (EXECUTIVE DIRECTOR)
DIN: 00158832

SUDITI INDUSTRIES LIMITED



Registered Office: C-253/254. M.I.D.C., T.T.C. Industrial Area, Pawne Village, Turbhe, Navi Mumbai – 400 705.

CIN: L19101MH1991PLC063245

Tel: 67368600/10. E-mail: cs@suditi.in Website: www.suditi.in

Audited Statement of Standalone Financial Results for the Quarter and Year ended 31st March, 2022

(Rs. in Lakhs except earning per share)

Sr. No.	Particulars	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)
		Three months ended 31.03.2022	Preceding three months ended 31.12.2021	Corresponding three month ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Revenue from operations (Net)	2,231.92	2,831.61	1,762.35	9,840.72	5,056.25
2	Other Income	28.30	12.52	8.59	68.24	8.65
3	Total Revenue (1+2)	2,260.22	2,844.13	1,770.94	9,908.96	5,064.90
4	Expenses					
	a) Cost of materials consumed	1,436.64	1,813.33	1,081.49	6,567.42	3,619.27
	b) Purchases of stock-in-trade	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,696.79	(258.26)	310.97	1,014.99	(140.45)
	d) Employee benefits expense	158.21	134.51	104.39	524.54	387.26
	e) Finance costs	124.98	92.71	135.82	441.69	461.05
	f) Depreciation and amortisation expense	34.63	34.07	31.57	134.94	156.75
	g) Other expenses	1,136.65	1,012.58	837.82	3,495.28	2,095.28
	Total expenses	4,587.90	2,828.94	2,502.06	12,178.86	6,579.16
5	Profit / (Loss) before exceptional and extraordinary items and tax (3-4)	(2,327.68)	15.19	(731.12)	(2,269.90)	(1,514.26)
6	Exceptional items	626.50	-	-	626.50	-
7	Profit / (Loss) before extraordinary items and tax (5-7)	(2,954.18)	15.19	(731.12)	(2,896.40)	(1,514.26)
8	Extraordinary items	-	-	-	-	-
9	Profit / (Loss) before tax (7-8)	(2,954.18)	15.19	(731.12)	(2,896.40)	(1,514.26)
10	Tax expense					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	(0.74)	0.21	1.99	3.70	3.78
11	Profit / (Loss) for the period from continuing operations (after tax) before share of profits of joint ventures and associate (9-10)	(2,953.44)	14.98	(733.11)	(2,900.10)	(1,518.04)
12	Share of Profit / (Loss) of Joint Venture and Associate	-	-	-	-	-
13	Profit after tax and share of Profits / (Loss) of Joint Ventures and Associate (11-12)	(2,953.44)	14.98	(733.11)	(2,900.10)	(1,518.04)
	Net profit attributable to:					
	a) Owners	-	-	-	-	-
	b) Non-controlling interest	-	-	-	-	-
14	Other Comprehensive Income					
	(a) Items that will not be reclassified to Profit or Loss	5.13	-	0.75	5.13	0.75
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	(1.29)	-	(0.19)	(1.29)	(0.19)
	(c) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(d) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
	Total other Comprehensive Income	3.84	-	0.56	3.84	0.56
15	Other Comprehensive Income attributable to:					
	a) Owners	-	-	-	-	-
	b) Non-controlling interest	-	-	-	-	-
16	Total Comprehensive Income (13+14)	(2,949.60)	14.98	(732.55)	(2,896.26)	(1,517.48)
	Total Comprehensive Income attributable to:					
	a) Owners	-	-	-	-	-
	b) Non-controlling interest	-	-	-	-	-
17	Paid-up equity share capital (Face Value of Rs.10/- per share)	1,755.41	1,755.41	1,755.41	1,755.41	1,755.41
18	Other Equity	-	-	-	(1,976.86)	919.41
19	Earnings per share (EPS) - Rs.10/- per share					
	a) Basic	(16.80)	0.09	(4.17)	(16.50)	(8.64)
	b) Diluted	(16.80)	0.09	(4.17)	(16.50)	(8.64)



Notes:

- 1) The above Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 30th May, 2022.
- 2) The Financial Results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no, CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.
- 3) The audit as required under Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchange.
- 4) In view of significant loss reported for the financial year 2021-22 and also due to the adverse impact on the performance of the company because of the COVID 19 pandemic, the Board has not recommended any Dividend for the financial year 2021-22.
- 5) The Company is primarily in the business of manufacturing and sales of textile products (i.e., Fabrics and Garments). The Chief Operating Decision Maker (CODM), the Chairman & Managing Director, performs a detailed review of the operating results, takes decisions about the allocation of resources based on the analysis of the various performance indicators of the Company as a whole. Therefore, there is only one operating segment in accordance with Ind AS 108 "Operating Segments" namely, "Textiles".
- 6) During the year 2021-22 the company has started liquidating the old inventory accumulated due to the impact of COVID 19 pandemic and the lock down imposed on account of the pandemic. The company had to offer huge discounts, rebates and other forms of price concessions to liquidate the old inventory of finished goods as the goods have become unsaleable at market prices due to change in fashions and trends. Since the company has incurred substantial losses while disposing of the old stock, the management has decided to value the balance remaining inventory at the best saleable price ranges. Accordingly the company had to make necessary provision to account for the probable loss that may occur while disposing the stock during the current year. The company has made necessary provision amounting to Rs.626.50 lakhs and presented it in the financial statements under the head—"exceptional items".
- 7) The loss already incurred on account of disposal of old inventory along with the provision for the value written down on the old inventory of finished goods lying as on 31st. March 2022 has resulted in the huge loss reported for the quarter ended 31st. March 2022. In addition to this the company has also made necessary provision for the bad and doubtful debts which together with the discounts and other concessions offered to old debtors during the year 2021-22 have further aggravated its financial situation. and accordingly the company has reported a substantial amount of loss of Rs.2896.27 lakhs.
- 8) Considering the significant losses reported and the consequent erosion of net worth, the management has made adequate plan to overcome the situation in the coming years. As a first step the promoters have agreed to support the company and based on the commitment made by the promoters the company has decided to raise additional finance amounting to a sum not exceeding Rs.30 crores by issuing additional equity shares on rights basis to the shareholders as on the record date to be announced later. The company has already filed the draft offer documents with BSE Ltd. for raising additional funds through the issue of share on Rights basis. The promoters have already issued necessary undertaking to subscribe to the issue for the unsubscribed portion of the equity if any need arises apart from their own rights. Secondly, the management has already scaled down their retail operation in order to avoid any further losses in future. Thirdly, the company has strengthened the garment division as it offers huge scope and also expand the division by setting up another unit in Vapi- Gujarat State. Finally, the management is also exploring further possibilities to reduce the bank borrowings significantly to bring down the finance charges.
- 9) In view of all the measures stated as above the management has considered the company will emerge much stronger and accordingly the accounts have been prepared on a going concern basis for the financial year 2021-22.
- 10) The company has filed draft offer documents with BSE Ltd (Stock Exchange) for approval to raise additional funds not exceeding Rs.30 Crores by way of issue of additional shares to the shareholders on the record date to be announced later. Further the company has also filed additional clarifications and documents as demanded by BSE Ltd and is expecting their approval very soon. Necessary disclosures to this effect are already made to the BSE Ltd and the details of draft offer documents are also placed on the web site of the company.
- 11) The company has completed the process of converting the partly owned subsidiary company M/s Suditi Design Studio Ltd., into a wholly owned subsidiary company by acquiring the remaining 10000 shares at face value of Rs.10/- each for Rs.1 lakh equivalent 1.15% the total capital. Accordingly, from April, 2022 onwards the subsidiary company has become a wholly owned subsidiary.
- 12) a) Even though there are some respite from the disruptions due to Covid 19 impact in the business particularly from the last quarter, it has already created serious crisis in the economies of many countries. Added to this the global economic and business environment is also severely impacted due to the ongoing armed conflict in the Eastern European region. The country is not completely free from the COVID 19 pandemic and its impact still continues to affect the business prospects adversely. The Global supply chain is again adversely impacted due to spread of virus in China and its neighbouring regions. Because of the surge in the pandemic there is a huge uncertainty with respect to its longevity, severity, and fall out in the post pandemic period which cannot be reasonably ascertained. The Company has evaluated and factored all the possible effects in its working including the likely impact that may result from the COVID-19 pandemic as well as all events and circumstances up to the date of approval of these financial results on the carrying value of its assets and liabilities as at 31st March, 2021 in the best possible manner.
b) However, the impact assessment due to COVID-19 is still an on-going process given the uncertainty associated with the nature and duration. The Company will continue to monitor any material changes as the situation evolves.
- 13) The figures of the current quarter and quarter ended 31/03/2021 are the balancing figures between the audited figures of the full financial years ended 31/03/2022 and 31/03/2021 (Ind AS), respectively, and the published year-to-date Ind AS figures up to third quarters ended 31/12/2021 and 31/12/2020, respectively.
- 14) Figures are re-grouped / re-arranged and re-classified wherever necessary. The full format of the Results are also available on Company's website (www.suditi.in).



By order of Board of Directors
For SUDITI INDUSTRIES LIMITED

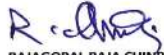

R. Ching

RAJAGOPAL RAJA CHINRAJ
WHOLETIME DIRECTOR (EXECUTIVE DIRECTOR)
DIN: 00158832

Place: Navi Mumbai
Date: 30th May, 2022

Suditi Industries Limited - Standalone Results

Cash Flow Statement for the year ended March 31, 2022

	(Rs. in lacs)	
	As at March 31, 2022	As at March 31, 2021
Cash flows from operating activities		
Profit before Tax for the year	(2,896.41)	(1,514.27)
Adjustments for:		
Interest paid recognised in profit or loss	441.69	461.05
Depreciation and amortisation of non-current assets (continuing and discontinued operations)	134.94	156.75
Prior Period Expenses	-	-
Dividend	-	-
Loss on sale of Motor Car	-	-
Loss on insurance claim	-	-
Impairment loss, net of reversals on financial assets	20.66	(0.55)
Deferred Revenue Included in OCI for the year	-	-
Employee's Compensation	-	-
	(2,299.12)	(897.02)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(71.36)	458.20
(Increase)/decrease in amounts due from customers under construction contracts	-	-
(Increase)/ decrease in inventories	1,630.77	122.67
(Increase)/decrease in other assets	(110.68)	384.04
Increase/ (Decrease) in Provisions	10.62	9.78
Increase/ (Decrease) in trade payables	692.48	(117.22)
Increase/ (Decrease) in Other Current/Financial Liabilities (excl Deferred Revenue)	866.01	66.16
Cash generated from operations	718.72	26.61
Income taxes paid	-	-
Net cash generated by operating activities	718.72	26.61
Cash flows from investing activities		
Payments to acquire financial assets	(135.00)	(58.68)
Proceeds on sale of financial assets	-	-
Movement in Long term loans and advances	14.10	(3.87)
Subsidy - Interest	-	-
Insurance claim received	-	-
Movement in Non Current Investments	(116.00)	-
Net cash (used in)/generated by investing activities	(236.90)	(62.55)
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from borrowings (Incl Deferred revenue)	-	-
Proceeds from Current borrowings	(41.55)	459.58
Repayment of borrowings	-	-
Movement in Other long term liabilities	-	1.10
Dividends paid on equity shares and convertible non-participating preference shares	-	-
Tax paid on Dividend	-	-
Interest paid	(441.69)	(461.05)
Net cash used in financing activities	(483.24)	(0.38)
Net increase in cash and cash equivalents	(1.42)	(36.31)
Cash and cash equivalents at the beginning of the year	30.72	67.03
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
Cash and cash equivalents at the end of the year	29.30	30.72
Notes:		
1. The above Cash Flow Statement has been prepared under the 'Indirect Method' in accordance with the Ind AS - 7 notified under Section 133 of the Companies Act, 2013 & Rules made thereunder.		
2. The Statement of Cash Flow for the year ended 31/03/2022 has been approved by the Board of Directors based on the numbers provided by the respective Group Companies audited by other Auditors. Previous year figures have been regrouped where necessary.		
	(Rs. in lacs)	
	As at March 31, 2022	As at March 31, 2021
3. Cash and Cash Equivalents comprises of:		
Cash on Hand	3.14	4.27
Balances with Banks		
- Current Accounts	6.81	3.06
Earmarked Balances with Banks		
- Unpaid Dividend	19.35	23.38
Cash and Cash Equivalents in Cash Flow Statement	29.30	30.72
By order of Board of Directors For SUDITI INDUSTRIES LIMITED		
 RAJAGOPAL RAJA CHINRAJ DIRECTOR (EXECUTIVE DIRECTOR) DIN: 00158832		
		
Place: Navi Mumbai		
Date: 30th May, 2022		



SUDITI INDUSTRIES LIMITED

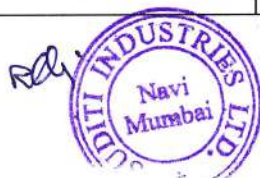


Registered Office: C-253/254, M.I.D.C., T.T.C. Industrial Area, Pawne Village, Turbhe, Navi Mumbai – 400 705.
CIN: L19101MH1991PLC063245
Tel: 67368600/10. E-mail: cs@suditi.in Website: www.suditi.in

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	(Audited)	(Audited)	(Audited)	(Audited)
	Standalone		Consolidated	
	As at 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
A ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	752.31	763.85	761.61	772.00
(b) Capital work-in-progress	153.92	142.27	153.92	142.27
(c) Investment Property	-	-	-	-
(d) Goodwill	-	-	-	-
(e) Other Intangible assets	4.06	4.11	4.29	4.35
(f) Intangible assets under development	-	20.78	-	20.78
(g) Biological Assets other than bearer plants	-	-	-	-
(h) Financial Assets				
(i) Investments	211.00	95.00	-	-
(ii) Trade receivables	-	-	-	-
(iii) Loans	778.88	855.90	795.84	872.86
(iv) Others (to be specified)	66.37	3.45	66.37	3.44
(i) Deferred tax assets (net)	5.73	10.72	6.58	9.97
(j) Other non-current assets	-	-	0.50	0.50
Sub-total - Non-current assets	1,972.27	1,896.08	1,789.11	1,826.17
2 Current assets				
(a) Inventories	2,057.70	3,688.47	2,644.13	3,934.67
(b) Financial Assets				
(i) Investments	1.23	1.11	1.23	1.11
(ii) Trade receivables	3,702.22	3,628.32	3,246.68	3,350.10
(iii) Cash and cash equivalents	9.95	7.34	33.76	14.95
(iv) Bank balances other than (iii) above	19.35	23.38	19.35	23.38
(v) Loans	2.62	5.17	2.90	5.34
(vi) Others (to be specified)	-	-	-	-
(c) Current Tax Assets (Net)	114.16	76.64	114.16	76.64
(d) Other current assets	944.21	871.05	1,154.84	983.55
Sub-total - Current assets	6,851.44	8,301.48	7,217.05	8,389.74
TOTAL - ASSETS	8,823.71	10,197.56	9,006.16	10,215.91
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	1,755.41	1,755.41	1,755.41	1,755.41
(b) Other Equity	(1,976.86)	919.41	(3,718.11)	(208.07)
(c) Non-controlling Interest	-	-	77.87	(10.14)
Sub-total - Equity	(221.45)	2,674.82	(1,884.83)	1,537.20
2 Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	369.71	544.71	369.71	549.71
(ii) Trade payables	-	-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	-	-	-	-
(b) Provisions	49.25	48.09	55.62	48.09
(c) Deferred tax liabilities (net)	-	-	-	-
(d) Other non-current liabilities	54.16	54.17	161.81	161.82
Sub-total - Non-current liabilities	473.12	646.97	587.14	759.62
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	3,548.11	3,414.66	3,571.58	3,518.66
(ii) Trade payables				
Micro Enterprises & Small Enterprises	187.51	156.11	482.54	233.18
Others	3,016.13	2,355.06	3,059.17	2,424.85
(iii) Other financial liabilities (other than those specified in item (c), to be specified)	212.17	241.94	265.48	244.04
(b) Other current liabilities	1,592.50	701.85	2,907.27	1,491.50
(c) Provisions	15.62	6.15	17.81	6.86
(d) Current Tax Liabilities (Net)	-	-	-	-
Sub-total - Current liabilities	8,572.04	6,875.77	10,303.85	7,919.09
TOTAL - EQUITY AND LIABILITIES	8,823.71	10,197.56	9,006.16	10,215.91



SUDITI INDUSTRIES LTD.



Admin office: C-3/B, M.I.D.C., T.T.C. Industrial Area, Pawne Village, Turbhe, Navi Mumbai – 400 705
Tel. No: 67368600/10, web site: www.suditi.in E-mail: cs@suditi.in CIN: L19101MH1991PLC063245
Regd.Office: C-253/254, MIDC, TTC INDL.AREA, PAWNE VILLAGE, TURBHE, NAVI MUMBAI – 400 705

Ref: No. SIL/SD/11/2022-23

Date: 30.05.2022

The Secretary/Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Ref: Suditi Industries Ltd. (Script Code 521113)

Sub: Declaration of Unmodified Opinion on the Audited Annual Financial Results as on 31.03.2022

Dear Sir,

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2016, we hereby confirm that Audited Report issued by M/s. Chaturvedi & Partners, Chartered Accountants on the Standalone / Consolidated Audited Financial Results for the quarter year ended on 31.03.2022 are with **unmodified opinion**.

Please take the same on your records and acknowledge.

Thanking you,

Yours faithfully,

For **Suditi Industries Limited**

R. Chinraj

Rajagopal Raja Chinraj
Executive Director & CEO



CHARTERED ACCOUNTANTS

Office No. 404, Apollo Complex, R.K. Singh Marg, Off. Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

E-mail : candp1977@gmail.com

Independent Auditor's Report on the Quarterly Consolidated Financial results of and the year to date Consolidated Financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**TO THE BOARD OF DIRECTORS OF
SUDITI INDUSTRIES LIMITED**

OPINION:

1. We have audited the accompanying Statement of Consolidated Financial Results of SUDITI INDUSTRIES LIMITED ("the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group"); its joint venture for the quarter and the year ended 31st March, 2022 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), including relevant Circulars issued by SEBI from time to time.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements and the other financial information of the Group, its subsidiaries and joint venture referred to in paragraph 13 below, the Statement:

a. includes the annual financial results of the following subsidiaries and share of loss of its joint venture:

Name of entity	As at March 31, 2022	
	% holding	Consolidated as
Suditi Design Studio Ltd.	98.85%*	Subsidiary
Suditi Sports Apparels Ltd.	60%	Subsidiary
SAA & Suditi Retail Pvt. Ltd.	50%	Joint Venture

*subsequently increased to 100 % in April 2022

b. presents financial results in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder and other accounting principles generally accepted in India of the consolidated net loss, other comprehensive income and other financial information of the Group for the year ended 31st March, 2022.



Basis for Opinion

3. We conducted our audit of the Consolidated financial Statement 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 Consolidated Financial Statement* 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 independence requirements that are relevant to our audit of the consolidated financial Statement 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 we have obtained and that obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

4. Emphasis of Matter:

- A. We draw your attention to Note 16 to the Consolidated financial results, which explains the uncertainties and managements' assessment of the financial impact due to the restrictions and other conditions arising due to the COVID-19 pandemic; for which a definitive assessment of the impact in the subsequent period is dependent on how the events and circumstances would evolve.

Our opinion is not modified in respect of this matter.

- B. We draw attention to Note No. 12 to the Consolidated financial results relating to the continuous losses suffered by one of the subsidiary company, a condition which indicates that a material uncertainty exists that may cast a significant doubt about the ability of these companies to continue as a going concern, a fact which has been reported by their auditors in their reports. However, basis managements plan of action, the accounts have been prepared on a going concern basis.
- C. We also draw attention to Note No. 13 to the Consolidated financial results relating to the share of heavy losses incurred by the joint venture company resulting in its net worth being fully eroded, a condition which indicates that a material uncertainty exists that may cast a significant doubt about the ability of the joint venture to continue as a going concern, a fact which has been reported by their auditors. However, based on management's assessment, the accounts have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and reports of the other auditors.



Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statement

5. The Statement, which includes the Consolidated Financial Results, is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the Consolidated Annual Audited Financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit/loss after tax; other comprehensive income and other financial information of the Group in accordance with Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors and of its joint venture are responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group covered under the Act, are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial Statement, the respective Board of Directors of the Company's included in the Group and its joint venture are responsible for assessing the ability of the Group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group and its joint venture, are also responsible for overseeing the financial reporting process of the companies included under the Group and its joint venture.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement 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, specified under section 143(10) of the Act, will always detect a material misstatement, when it exists. Misstatement 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 this Statement.

9. As part of an audit in accordance with Standards on Auditing ("SAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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 the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances. Under section 143(3)(ii) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial with reference to financial statements 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 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 ability of the Group 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 Statement 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its joint venture, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

10. Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.

11. We communicate with those charged with governance of the Holding Company 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.

12. 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.

13. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD/44/2019 dated 29 March, 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

Other Matters

14.a) We did not audit the annual financial results and other financial information in respect of 2 subsidiaries included in the Statement, whose Ind AS financial statements reflect total assets of Rs. 13.58 crores as at March 31, 2022, total revenue of Rs. 7.53 crores and total loss of Rs. 0.86 crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. These financial statements and other financial information have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit report of such other auditors, and the procedures performed by us as stated in paragraph 8 and 9 above.

b) The consolidated Ind AS financial statements also includes the Group's share of net loss of Rs.5.19 crores (including other comprehensive income) for the year ended March 31, 2022, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements and other financial information has been audited by the other auditor and whose report has been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the audit report of such other auditors, and the procedures performed by us as stated in paragraph 9 above.

Our opinion, in so far as it relates to the affairs and other financial information of such subsidiaries and joint venture is based solely on the reports of other auditors.

Our opinion is not modified in respect of this matter.



15. The Statement includes the results for the quarter ended 31st March, 2022 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34--"Interim Financial Reporting" which were subject to limited review by us.

16. The Consolidated Annual Financial Results dealt with by this report have been prepared for the express purpose of filing with the Stock Exchange. These results are based on and should be read with the audited consolidated financial statements of the group and its joint venture, for the year ended March 31, 2022 on which we have issued an unmodified audit opinion vide our report dated May 30, 2022.

For Chaturvedi & Partners
Chartered Accountants
(Firm Registration No.: 307068E)



(Siddharth Punamiya)
Partner
(Membership No.: 148540)

ICAI UDIN: 22148540AJWZPL2776

CHARTERED ACCOUNTANTS

Office No. 404, Apollo Complex, R.K. Singh Marg, Off. Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

E-mail : candp1977@gmail.com

Independent Auditor's Report on Quarterly Standalone Financial Results for the quarter and the Standalone Financial Results for the year to date ended 31st March, 2022 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
THE MEMBERS OF
SUDITI INDUSTRIES LIMITED

Report on the Audit of Standalone Financial Statement

Opinion

We have audited the accompanying Standalone Financial Statement ("the Statement") of **SUDITI INDUSTRIES LIMITED** ("the Company"), for the quarter and the year ended March 31, 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations") including relevant Circulars issued by SEBI from time to time.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial Statements: -

- (a) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations and,
- (b) gives a true and fair view in conformity with the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder and other accounting principles generally accepted in India, of the standalone loss; other comprehensive income and other financial information of the Company for the year ended on March, 31 2022.

Basis for Opinion

We conducted our audit of the standalone financial Statement 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 Standalone Financial Statement* 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 independence requirements that are relevant to our audit of the standalone financial Statement 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

We draw your attention to Note.12 to the Standalone financial results, which explains the uncertainties and managements' assessment of the financial impact due to the restrictions and other conditions arising due to the COVID-19 pandemic; for which a definitive assessment of



the impact in the subsequent period is dependent on how the events and circumstances would evolve.

Our opinion is not modified in respect of this matter.

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial Statement that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Company are responsible for 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 of the Company are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone financial Statement as a whole is 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 Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatement 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 this standalone financial Statement.

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 standalone financial Statement, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Company 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 Statement 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 Statement, including the disclosures, and whether the standalone financial Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Annual Consolidated Financial Results 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 Annual Standalone Financial Results.

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.

The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2021 and December 31, 2020 respectively, being the date of the end of the third quarter of the financial year, prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard—34 "Interim Financial Reporting", which were subject to limited review by us.

The Standalone Financial Results dealt with by this report has been prepared for the express purpose of filing with the Stock Exchange. The Standalone Financial Results is based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2022 on which we issued an unmodified audit opinion vide our report dated May 30, 2022.

For Chaturvedi & Partners

Chartered Accountants

(Firm Registration No.: 307068E)



Siddharth Punamiya

(Siddharth Punamiya)

Partner

(Membership No.: 148540)

ICAI UDIN: 22148540AJWYQY8166

Place: Mumbai

Date: 30th May, 2022