

# SUUMAYA INDUSTRIES LIMITED

CIN: L46411MH2011PLC220879



Reference No. **SUULD/NSE/24-25/18**

Date: August 14, 2024

To

**The Compliance Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1,  
Block-G Bandra-Kurla Complex,  
Bandra (E), Mumbai-400051.**

**Symbol: SUULD**

**Subject: Outcome of Board Meeting held on Wednesday, August 14, 2024**

Dear Sir/Madam,

In furtherance to our letter dated August 13, 2024 with respect to intimation of Board Meeting and pursuant to Regulations 30 and 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the said Regulations, kindly note that the Board of Directors of Suumaya Industries Limited ("the Company") at their meeting held on today i.e., Wednesday, August 14, 2024, which commenced at 9:45 p.m. has *inter-alia*:

- a) Considered and approved the Un-audited Standalone and Consolidated Financial Results (along with Limited Review Report) of the Company for the quarter ended June 30, 2024.

Copy of the Financial Results and Limited Review Report are attached herewith as Annexure-A.

- b) Approved the Board Report and annexures thereto for the FY ended March 31, 2024.
- c) Approved the draft Notice of 13<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, September 25, 2024, through Video Conferencing ("VC")/Other Audio-Visual Means("OAVM") and appointment of Scrutinizer Mr. Rinkesh Gala, Practising Company Secretary, of M/s. Rinkesh Gala & Associates, to conduct the e-voting process in fair and transparent manner. The cut-off date for the same shall be intimated in due course.

The Board Meeting concluded at 11:25 p.m.

You are requested to kindly take the same on records.

Thanking you,  
Yours Faithfully,

**For Suumaya Industries Limited**

**Amit Satwara  
Director  
DIN: 08209998**



Encl: a/a



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE, 2024

(₹ in crores)

Particulars	Quarter Ended			Year ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1 Revenue from operations</b>	15.31	48.99	8.67	1,187.70
<b>2 Other income</b>	0.51	5.63	5.88	24.50
<b>3 Total revenue (1+2)</b>	<b>15.82</b>	<b>54.62</b>	<b>14.56</b>	<b>1,212.19</b>
<b>4 Expenses</b>				
(a) Cost of raw materials, components consumed	-	-	-	-
(b) Purchases of stock-in-trade	15.08	31.86	10.17	1,159.81
(c) Changes in inventories of finished goods, Work-in-Progress and Stock-in-Trade	-	17.32	(1.32)	17.46
(d) Employee benefit expenses	0.43	1.07	0.97	3.89
(e) Finance Costs	0.28	1.47	0.35	2.59
(f) Depreciation and amortisation expense	1.27	1.27	1.33	5.23
(g) Other expenses	325.98	(195.99)	25.38	66.17
<b>Total expenses (a to g)</b>	<b>343.04</b>	<b>(143.00)</b>	<b>36.87</b>	<b>1,255.15</b>
<b>5 Profit before tax exceptional items and tax (3-4)</b>	<b>(327.22)</b>	<b>197.63</b>	<b>(22.31)</b>	<b>(42.96)</b>
Exceptional Item	34.58	779.06	-	779.06
<b>6 Profit before tax</b>	<b>(361.80)</b>	<b>(581.44)</b>	<b>(22.31)</b>	<b>(822.02)</b>
<b>7 Tax expense</b>				
(a) Current tax	-	(0.09)	-	-
(b) Short and Excess Provision for Tax of Earlier Years.	-	173.92	(0.31)	173.92
(c) Deferred tax credit/(charge)	(0.16)	(0.11)		(0.89)
<b>Total tax expense 7(a)+7(b) :</b>	<b>(0.16)</b>	<b>173.72</b>	<b>(0.31)</b>	<b>173.03</b>
<b>8 Net profit after tax (6-7)</b>	<b>(361.64)</b>	<b>(755.16)</b>	<b>(22.00)</b>	<b>(995.05)</b>
<b>9 Other comprehensive income (OCI)</b>				
(a) Items that will not be reclassified to profit and loss	-	-	-	-
(b) Items that will be reclassified to profit and loss	-	-	-	-
<b>10 Total comprehensive income for the period (8+9)</b>	<b>(361.64)</b>	<b>(755.16)</b>	<b>(22.00)</b>	<b>(995.05)</b>
<b>11 Paid-up equity share capital (Face Value ₹10/- each)</b>	62.76	67.34	62.76	67.34
<b>12 Earnings per share (not annualised except for year ended March 31, 2023)</b>				
(a) Basic (in ₹)	(57.62)	(112.13)	(3.51)	(147.76)
(b) Diluted (in ₹)	(57.26)	(119.56)	(3.51)	(157.54)





**Notes:**

- 1) The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14<sup>th</sup> August, 2024. The statutory auditors have carried out a limited review of the aforesaid financials.
- 2) The Standalone Financial Results of the Company have been prepared in accordance with 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 and in terms of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3) The Company has made an appropriate provision of its Corporate Social Responsibility (CSR) Obligation for the quarter ended as per the requirement in addition to the carried forward amount from previous financial year over the total spent requirement. The company had an unspent CSR balance of INR 2.52 crores and INR 6.6 crores on account of CSR for the FY 21-22 and FY 22-23 respectively. The company has decided to spend the same on ongoing projects, the law stipulates that any unspent amount which has to be spent on ongoing has to be transferred to a special bank account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013. However, the same has not been deposited by the company till the November 14, 2022. As per Section 134(8) of the Companies Act "Penalties for not discharging the duty of CSR", the company will be liable for a penalty that would be twice the amount required to be transferred by the company to the specified fund under Schedule VII or the unspent CSR account, as the case may be, or ₹1 crore, whichever is less. As regards an officer of the company, the penalty would be 1/10th of the amount required to be transferred by the company to such fund or the unspent CSR account, as the case may be, whichever is less.
- 4) There were no investor complaints pending at the beginning of the quarter or lying unresolved at the end of the quarter. During the quarter, the Company has not received any investor complaints.
- 5) Post Income Tax Search & the opening of Block Assessments of the company, company were being served with Notice u/s 148 of Income tax Act 1952, to file the revised returns. Company has completed all the income tax submissions and revised return filings in response to the notices and are being served with various orders under income tax for all the years opened under the block. However in disagreement with demands & dispute against various additions made in orders, company has filed appeal to Income Tax Appeal to the CIT (Appeal). The Company has received Income tax Demands for AY 16-17, AY 18-19 AY 19-20, AY 20-21, AY21-22 against order u/s 147 of Income tax Act to the tune of INR 1,112.22 crores wherein the Company has filed appeals against such orders post the prescribed time limit. However, based on Management evaluation and analysis of such orders and the validity of such demands it has created Interest provision of INR 276.01 crores in quarter ended regarding the same.
- 6) The Standalone Financial Statements that the company has not yet paid the statutory dues as on June 24 to the tune of over INR 522.79 Crores with an ageing of 0-33 Months consisting of Self-Assessment Income Tax dues in relation to FY 2020-21, FY 2021-22, Professional Fees, ESIC dues, Professional Tax, Tax deducted at Source and Tax Credited at Source and income tax demand order.
- 7) The Company is carrying significant balances as trade and other receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on June 30, 2024. Further the Company has created an incremental expected credit loss provision to the tune of INR 306.23 Crores during the period in relation to recoverability of such debts after assessing the impact and status of such receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor
- 8) The Standalone Financial Statements which describes that identified litigations and contingencies which are pending to be evaluated by the Management and the Management is in the process of ascertaining the legal position of the Company for the possible cash outflow and its consequential impact on these Standalone Financial Statements.
- 9) There are investigations and enquiries been conducted by Securities and Exchange Board of India which has also issued notices and is seeking explanations from the Company. The Company has been engaged in various submissions, requirements & information as asked for & providing details and responses to all such investigations and notices.
- 10) The Standalone Financial Statements, which states that the Company has evaluated IND AS 36 "Impairment of Assets," for the impairment testing of assets in the subsidiary of the Company – Summaya Agro Limited. Based on the assessment by the Management and identifying indicators of impairment for the assets being tested, Management has decided to impair of the asset to the tune of Networth value of Such Subsidiary held in the books of accounts. Hence the Company has impaired balance of Summaya Agro Limited by INR 34.5 crores during the quarter ended June 2024.
- 11) The Chief Financial Officer ('CFO') Ms. Dhvani Dattani resigned from the Company w.e.f from closing business hours of 30th April, 2023. The casual vacancy was required to be filled by the Company latest by 14th October, 2023. However, Company has not yet appointed any new CFO as on the date of this financial statement. The Company is in non-compliance with Regulation 26A (2) of SEBI (LODR) Regulations, 2015.



- 12) A proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBBI/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 and the same have been intimated to the stakeholders by stock exchange intimation.
- 13) The Chief Financial Officer ('CFO') Ms. Ankita Satwara resigned from the Company w.e.f from closing business hours of 31st July, 2024. The casual vacancy is required to be filled by the Company latest by 30th October, 2024. However, Company has not yet appointed any new CFO as on the date of this financial statement.
- 14) The Company Secretary ('CS') Ms. Meghal Mehta resigned from the Company w.e.f from closing business hours of 30th June, 2024. The casual vacancy is required to be filled by the Company latest by 29th September, 2024. However, Company has not yet appointed any new CS as on the date of this financial statement.
- 15) The Company has not availed any supply chain finance facilities/limits from any NBFCs during the financial period under review.
- 16) The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

**For and on behalf of the Board**

**Suumaya Industries Limited**

*(Formerly known as Suumaya Lifestyle Limited)*



A handwritten signature in blue ink, appearing to read 'Amit Satwara'.

**Mr. Amit Satwara**  
Executive Director

**DIN: 08209998**

**Place: Mumbai**

**Date: 14<sup>th</sup> August, 2024**



**NAIK MEHTA & CO.**

CHARTERED ACCOUNTANTS

22, Megh building Co-op. Society, Megh Malhar Complex, Gen A. K. Vaidya Marg, Goregaon-(East),  
Mumbai – 400 063

Tel: 022-28408899 M – 9820462132, E-mail: naikmehta100@yahoo.co.in

Limited review report on unaudited quarterly standalone financial result of **Suumaya Industries Limited** pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To  
The Board of Directors  
**Suumaya Industries Limited.**  
(Formerly known as Suumaya Lifestyle Limited)

1. We have reviewed the accompanying statement of unaudited standalone financial results of Suumaya Industries Limited (“the Company”) for the quarter ended June 30, 2024 (the “Statement”), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. (“Listing Regulations”)
2. This statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“IND AS 34”), prescribed under Section 133 of the Companies Act, 2013 (the “Act”) as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain a moderate assurance as to whether the Statement is free of material misstatement. A review of the interim financial information consists of making inquiries, primarily of company personnel responsible for the financial and accounting matters and applying analytical and other review procedure. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principal laid down in the aforesaid Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **Basis for Qualified Opinion**

5. According to the SA 505 “External Confirmation” and SA 501 “Audit Evidence” issued by the ICAI, balances with respect to trade receivables, trade payables, Inter corporate deposits for validating outstanding balances during the year are subject to confirmation. Accordingly, we have sent a total of 39 confirmation for confirming closing balances amounting to INR 387.96 crores as on 30th June 2024. However, we have not received sufficient and appropriate confirmation for confirming balances amounting to INR 75.53 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the quarter ended June 30, 2024.
6. According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as loans to related parties (Outstanding balance of INR 80.91 crores to Suumaya Agro Limited as on June 30, 2024) against which no interest has been charged. This same is in non-compliance with Section 186 of the Companies Act 2013.

7. According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as trade advances amounting to related parties (Advances to Suumaya Corporation Limited – 18.31 crores as on June 30, 2024) against which no stock/ services has been received from the counterparties till August 14th, 2024. These advances can be construed as being in the nature of loans and attract non compliances under Companies Act 2013 since no approvals have been obtained in relation to the same.
8. The Company has not taken into consideration the implication of additions on account of Section 43B(h) of the Income Tax Act specifically covers any sum payable by the assesses to micro or small enterprises (MSEs). This section ensures that MSEs receive timely payments within the stipulated time as determined by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 hence we are unable to comment on the impact of the same on the income tax provision.
9. The financial impact of overall litigations and contingencies on the Company are pending to be evaluated by the Management and the Management has not ascertained the legal position of the Company, the possible cash outflow and its consequential impact on these Standalone Financial Statements. Pending management evaluation of legal positions and possible cash outflows, we are unable to obtain sufficient appropriate audit evidence with respect to completeness and disclosure of litigation and contingencies and consequential impact on these Standalone Financial Statements.
10. During the course of audit, it was observed that the Company has realized cash withdrawals to the tune of INR 0.47 crores during the period April 2024 to June 2024. Company hereby not able to justify the reason for such a huge cash withdrawal and we are not able to give opinion about the same.
11. We draw attention to Note 12 to the financial statements, which indicates that a proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBBI/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 in regards to the same. The Company has not been able to ascertain the status and potential outcome of this litigation. In our opinion, the uncertainty surrounding this litigation represents a significant risk to the Company's financial position and results of operations. We qualify our opinion on the financial statements, as we are unable to express an opinion on the adequacy of provisions or disclosures related to this litigation.

### **Qualified Conclusion**

Based on our review conducted as above, except for the possible effects of the matters as described in the “Basis of Qualified Conclusion” section above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principal laid down in the aforesaid Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Material Uncertainty Related to Going Concern**

Company has incurred a net loss of INR Rs. 361.64 crore during the quarter ended June 30, 2024. Further the company also has unpaid statutory liabilities to the tune of INR 522.79 crores including interest outstanding since last 2 years which the Company has not been able to service. The above factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on ongoing discussions with new investors, management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement. Our opinion is not modified in respect of this matter.

### **Emphasis of matter**

12. We draw your attention to Note 5; of the Standalone Financial Statements, which states that the Company has received Income tax Demands for AY 16-17, AY 18-19 AY 19-20, AY 20-21, AY21-22 against order u/s 147 of Income tax Act to the tune of INR 1112.22 crores wherein the Company has filed appeals against such orders post the prescribed time limit. However, based on Management evaluation and analysis of such orders and the validity of such demands it has created a provision of INR 276.01 crores in regards to the same.

13. We draw your attention to Note 3 of the Standalone Financial Statements wherein the company has an unspent balance of INR 2.52 crores and INR 6.6 crores on account of CSR for the FY 21-22 and FY 22-23 respectively, the company has decided to spent the same on ongoing projects, the law stipulates that any unspent amount which has to be spent on ongoing has to be transferred to a special bank account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013. However, the same has not been deposited by the company till May 30, 2024. As per Section 134(8) of the companies Act "Penalties for not discharging the duty of CSR", the company will be liable for a penalty that would be twice the amount required to be transferred by the company to the specified fund under Schedule VII or the unspent CSR account, as the case may be, or ₹1 crore, whichever is less. As regards an officer of the company, the penalty would be 1/10th of the amount required to be transferred by the company to such fund or the unspent CSR account, as the case may be, whichever is less.
14. We draw your attention to Note 7; of the Standalone Financial Statements, which states that the Company is carrying significant balances as trade and other receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on June 30, 2024. Further the Company has created an incremental expected credit loss provision to the tune of INR 306.23 Crores during the period in relation to recoverability of such debts after assessing the impact and status of such receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor
15. We draw your attention to Note 6 of the Standalone Financial Statements that the Company has not yet paid the statutory dues as on June 30, 2024 to the tune of over INR 522.79 crores with an ageing of 0-33 months consisting of Self-Assessment Income Tax dues in relation to FY 20-21, FY 21-22, FY 22-23 and FY 23-24, Provident Fund, ESIC dues, Professional Tax, Tax Deducted at Source and Tax Credited at Source. Further the Company has not yet filed tax audit return and audit report for FY 21-22.
16. We draw your attention to Note 10 of the Standalone Financial Statements that the Company has evaluated IND AS 36 "Impairment of Assets," for the impairment testing of assets in the subsidiary of the Company – Summaya Agro Limited. Based on the assessment by the Management and identifying indicators of impairment for the assets being tested, Management has decided to impair of the asset to the tune of Networth value of Such Subsidiary held in the books of accounts. Hence the Company has impaired balance of Suumaya Agro Limited by INR 34.58 crores during the quarter ended June 2024.
17. We draw your attention to Note 13 of the Standalone Financial Statements which states that The Chief Financial Officer ('CFO') Ms. Ankita Satwara resigned from the Company w.e.f from closing business hours of 31st July, 2024. The casual vacancy is required to be filled by the Company latest by 30th October, 2024. However, Company has not yet appointed any new CFO as on the date of this financial statement.
18. We draw your attention to Note 14 of the Standalone Financial Statements which states that The Company Secretary ('CS') Ms. Meghal Mehta resigned from the Company w.e.f from closing business hours of 30th June, 2024. The casual vacancy is required to be filled by the Company latest by 29th September, 2024. However, Company has not yet appointed any new CS as on the date of this financial statement.

Our opinion is not modified in respect of the above matters as stated under the Emphasis of Matter Paragraph.

For Naik Mehta & Co.  
Chartered Accountants  
FRN:124529W

ALPA  
NIMESH  
MEHTA

Digitally signed  
by ALPA NIMESH  
MEHTA  
Date: 2024.08.14  
22:35:48 +05'30'


CA Alpa Mehta  
Partner  
Membership No. 107896.  
Place : Mumbai  
Date : 14<sup>th</sup> August, 2024  
UDIN : 24107896BKCTVE2522

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with  
Quarterly Standalone Limited Reviewed Financial Results**

Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2024 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<i>(Amount in INR crores)</i>				
I.	Sl.No.	Particulars	Unaudited Figures (as reported before adjusting for qualifications)	Unaudited Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	15.82	15.82
	2.	Total Expenditure	343.04	343.04
	3.	Net Profit/(Loss) before tax	(361.80)	(361.80)
	4.	Earnings Per Share	(57.26)	(57.26)
	5.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II(i)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p><b>a. Details of Audit Qualification:</b> According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables, trade payables, Inter corporate deposits for validating outstanding balances during the year are subject to confirmation. Accordingly, we have sent a total of 39 confirmation for confirming closing balances amounting to INR 387.96 crores as on 30th June 2024. However, we have not received sufficient and appropriate confirmation for confirming balances amounting to INR 75.53 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the quarter ended June 30, 2024.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of qualification:</b> Recurring</p> <p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>f. Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p><b>g. If management is unable to estimate the impact, reasons for the same:</b>  Evaluation is in Process.</p> <p><b>h. Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>			
II(ii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p><b>a. Details of Audit Qualification:</b> According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as loans to related parties (Outstanding balance of INR 80.91 crores to Suumaya Agro Limited as on June 30, 2024) against which no interest has been charged. This same is in non-compliance with Section 186 of the Companies Act 2013.</p>			

	<p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(iii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as trade advances amounting to related parties (Advances to Suumaya Corporation Limited – 18.31 crores as on June 30, 2024) against which no stock/ services has been received from the counterparties till August 14th, 2024. These advances can be construed as being in the nature of loans and attract non compliances under Companies Act 2013 since no approvals have been obtained in relation to the same.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Appeared first time.</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(iv)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> The Company has not taken into consideration the implication of additions on account of Section 43B(h) of the Income Tax Act specifically covers any sum payable by the assesses to micro or small enterprises (MSEs). This section ensures that MSEs receive timely payments within the stipulated time as determined by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 hence we are unable to comment on the impact of the same on the income tax provision.</p>

	<p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(v)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> The financial impact of overall litigations and contingencies on the Company are pending to be evaluated by the Management and the Management has not ascertained the legal position of the Company, the possible cash outflow and its consequential impact on these Standalone Financial Statements. Pending management evaluation of legal positions and possible cash outflows, we are unable to obtain sufficient appropriate audit evidence with respect to completeness and disclosure of litigation and contingencies and consequential impact on these Standalone Financial Statements.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(vi)	<p>a. <b>Details of Audit Qualification:</b> During the course of audit, it was observed that the Company has realized cash withdrawals to the tune of INR 0.47 crores during the period April 2024 to June 2024. Company hereby not able to justify the reason for such a huge cash withdrawal and we are not able to give opinion about the same.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Appeared first time.</p>

	<p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>i. Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p><b>ii. If management is unable to estimate the impact, reasons for the same:</b></p> <p>Evaluation is in Process.</p> <p><b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(vii)	<p><b>a. Details of Audit Qualification:</b> We draw attention to Note 11 to the financial statements, which indicates that a proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBB/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 in regards to the same. The Company has not been able to ascertain the status and potential outcome of this litigation. In our opinion, the uncertainty surrounding this litigation represents a significant risk to the Company's financial position and results of operations. We qualify our opinion on the financial statements, as we are unable to express an opinion on the adequacy of provisions or disclosures related to this litigation.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of qualification:</b> Appeared first time.</p> <p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>f. Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p><b>g. If management is unable to estimate the impact, reasons for the same:</b></p> <p>Evaluation is in Process.</p> <p><b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
III.	<p><b>Signatories:</b></p> <p></p> <p>• _____ Mr. Amit Satwara Executive Director</p>



- Mr. Sharad Jain  
Audit Committee Chairman

ALPA NIMESH Digitally signed by ALPA  
NIMESH MEHTA  
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- Naik Mehta & Co.  
Statutory Auditor

Place: Mumbai

Date: August 14, 2024



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE, 2024

(₹ in crores)

Particulars	Quarter Ended			Year ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1 Revenue from operations</b>	15.66	48.99	8.67	1,187.70
<b>2 Other income</b>	0.55	5.63	5.88	24.50
<b>3 Total revenue (1+2)</b>	<b>16.22</b>	<b>54.62</b>	<b>14.56</b>	<b>1,212.19</b>
<b>4 Expenses</b>				
(a) Cost of raw materials, components consumed	-	-	-	-
(b) Purchases of stock-in-trade	15.13	31.86	10.17	1,159.81
(c) Changes in inventories of finished goods, Work-in-Progress and Stock-in-Trade	0.11	17.32	(1.32)	17.46
(d) Employee benefit expenses	0.45	1.07	0.97	3.89
(e) Finance Costs	0.28	1.47	0.35	2.59
(f) Depreciation and amortisation expense	0.97	1.27	1.33	5.23
(g) Other expenses	853.82	(195.99)	25.38	66.17
<b>Total expenses (a to g)</b>	<b>870.75</b>	<b>(143.00)</b>	<b>36.87</b>	<b>1,255.15</b>
<b>5 Profit before tax exceptional intems and tax (3-4)</b>	<b>(854.54)</b>	<b>197.63</b>	<b>(22.31)</b>	<b>(42.96)</b>
Exceptional Item	7.89	779.06	-	779.06
<b>6 Profit before tax</b>	<b>(862.42)</b>	<b>(581.44)</b>	<b>(22.31)</b>	<b>(822.02)</b>
<b>7 Tax expense</b>				
(a) Current tax	-	(0.09)	-	-
(b) Short and Excess Provision for Tax of Earlier Years.	-	173.92	(0.31)	173.92
(c) Deferred tax credit/(charge)	-	(0.11)	-	(0.89)
<b>Total tax expense 7(a)+7(b) :</b>	<b>-</b>	<b>173.72</b>	<b>(0.31)</b>	<b>173.03</b>
<b>8 Net profit after tax (6-7)</b>	<b>(862.42)</b>	<b>(755.16)</b>	<b>(22.00)</b>	<b>(995.05)</b>
<b>9 Other comprehensive income (OCI)</b>				
(a) Share in profit of associate	-	-	-	-
(b) Items that will be reclassified to profit and loss	-	-	-	-
<b>10 Total comprehensive income for the period (8+9)</b>	<b>(862.42)</b>	<b>(755.16)</b>	<b>(22.00)</b>	<b>(995.05)</b>
<b>11 Paid-up equity share capital (Face Value ₹10/- each)</b>	62.76	67.34	62.76	67.34
<b>12 Earnings per share (not annualised except for year ended March 31, 2023)</b>				
(a) Basic (in ₹)	(137.42)	(112.13)	(3.51)	(147.76)
No of Shares for dilution	63.16	63.16	62.64	63.16
(b) Diluted (in ₹)	(136.54)	(119.56)	(3.51)	(157.54)

*S. Kumar*





**Notes:**

- 1) The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th August, 2024. The statutory auditors have carried out limited review of the above financial results.
- 2) The consolidated financial results of the Group have been prepared in accordance with 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 and in terms of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3) The Company has made an appropriate provision of its Corporate Social Responsibility (CSR) Obligation for the quarter ended as per the requirement in addition to the carried forward amount from previous financial year over the total spent requirement. The Consolidated Financial Statements as per the information and explanation given by the management, the company had an unspent Corporate Social Responsibility (CSR) balance of INR 3.26 crores in relation to FY 21-22 and INR 12.60 crores in relation to FY 22-23 respectively, which the company had decided to spend on ongoing projects, the law stipulates that unspent amount which has to be spent on ongoing has to be transferred to a special bank account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013. However, the same has not been deposited by the company till the November 09, 2023 and resulted into non-compliance. As per Section 134(8) of the companies Act "Penalties for not discharging the duty of CSR", the company is liable for a penalty that would be twice the amount required to be transferred by the company to the specified fund under Schedule VII or the unspent CSR account, as the case may be, or 1 crore, whichever is less. As regards an officer of the company, the penalty would be 1/10th of the amount required to be transferred by the company to such fund or the unspent CSR account, as the
- 4) There were no investor complaints pending at the beginning of the quarter or lying unresolved at the end of the quarter. During the quarter, the Company has not received any investor complaints.
- 5) Post Income Tax Search & the opening of Block Assessments of the company, company were being served with Notice u/s 148 of Income tax Act 1952, to file the revised returns. company has for completed all the income tax submissions and revised return filings in response to the notices and are being served with various orders under income tax for all the years opened under the block. However in disagreement with demands & disputes against various additions made in orders, company has appeal to Income Tax Appeal to the CIT (Appeal). The Company has received Income tax Demands for AY 16-17, AY 18-19 AY 19-20, AY 20-21, AY21-22 against order u/s 147 of Income tax Act to the tune of INR 1,356.18 crores wherein the Company has filed appeals against such orders post the prescribed time limit. However, based on Management evaluation and analysis of such orders and the validity of such demands it has created a provision of INR 293.91 crores in regards to the same.
- 6) The Standalone Financial Statements that the company has not yet paid the statutory dues as on March 31st, 2024 to the tune of over INR 549.35 Crores with an ageing of 0-33 Months consisting of Self-Assessment Income Tax dues in relation to FY 2020-21, FY 2021-22, Professional Fees, ESIC dues, Professional Tax, Tax deducted at Source and Tax Credited at Source and income tax demand order.
- 7) The Company is carrying significant balances as trade and other receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on June 30, 2024. Further the Company has created an incremental expected credit loss provision to the tune of INR 833.18 Crores during the period in relation to recoverability of such debts after assessing the impact and status of such receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor
- 8) The Consolidated Financial Statements which describes that identified litigations and contingencies which are pending to be evaluated by the Management and the Management is in the process of ascertaining the legal position of the Company for the possible cash outflow and its consequential impact on these Standalone Financial Statements.
- 9) There are investigations and enquiries been conducted by Securities and Exchange Board of India which has also issued notices and is seeking explanations from the Company. The Company has been engaged in various submissions, requirements & information as asked for & providing details and responses to all such investigations and notices.
- 10) The Chief Financial Officer ('CFO') Ms. Dhvani Dattani resigned from the Company w.e.f from closing business hours of 30th April, 2023. The casual vacancy was required to be filled by the Company latest by 14th October, 2023. However, Company has not yet appointed any new CFO as on the date of this financial statement. The Company is in non-compliance with Regulation 26A (2) of SEBI (LODR) Regulations, 2015.
- 11) A proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBB/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 and the same have been intimated to the stakeholders by stock exchange intimation.
- 12) The Chief Financial Officer ('CFO') Ms. Ankita Satwara resigned from the Company w.e.f from closing business hours of 31st July, 2024. The casual vacancy is required to be filled by the Company latest by 30th October, 2024. However, Company has not yet appointed any new CFO as on the date of this financial statement.
- 13) The Company Secretary ('CS') Ms. Meghal Mehta resigned from the Company w.e.f from closing business hours of 30th June, 2024. The casual vacancy is required to be filled by the Company latest by 29th September, 2024. However, Company has not yet appointed any new CS as on the date of this financial statement.
- 14) The Company has not availed any supply chain finance facilities/limits from any NBFCs during the financial period under review.
- 15) The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.



Place: Mumbai  
Date: 14th August, 2024

For and on behalf of the Board  
Suumaya Industries Limited

Mr. Amit Satwara  
Executive Director  
DIN: 08209998



**NAIK MEHTA & CO.**

CHARTERED ACCOUNTANTS

22, Megh building Co-op. Society, Megh Malhar Complex, Gen A. K. Vaidya Marg, Goregaon-(East),  
Mumbai – 400 063

Tel: 022-28408899 M – 9820462132, E-mail: naikmehta100@yahoo.co.in

Limited review report on Unaudited quarterly Consolidated financial result of **Suumaya Industries Limited** pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To  
The Board of Directors  
**Suumaya Industries Limited.**  
(Formerly known as Suumaya Lifestyle Limited)

1. We have reviewed the accompanying statement of Unaudited Consolidated financial results of **Suumaya Industries Limited** (“the Company”) for the quarter ended **June 30, 2024** (the “Statement”), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “**Interim Financial Reporting**” (“**IND AS 34**”), prescribed under Section 133 of the Companies Act, 2013 (the “Act”) as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain a moderate assurance as to whether the Statement is free of material misstatement. A review of the interim financial information consists of making inquiries, primarily of company personnel responsible for the financial and accounting matters and applying analytical and other review procedure. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities :-
  - Suumaya Agro Limited
  - Suumaya Protective Texcorp Limited
  - Suumaya Retail Limited
  - Suumaya Infotech Private Limited
  - Suumaya Foundation

### **Basis for Qualified Opinion**

1. According to the SA 505 “External Confirmation” and SA 501 “Audit Evidence” issued by the ICAI, balances with respect to trade receivables, trade payables, Inter corporate deposits for validating outstanding balances during the year are subject to confirmation. Accordingly, we have sent a total of 39 confirmation for confirming closing balances amounting to INR 387.96 crores as on 30th June 2024. However, we have not received sufficient and appropriate confirmation for confirming balances amounting to INR 75.53 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the quarter ended June 30, 2024.

2. According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as loans to related parties against which no interest has been charged. This same is in non-compliance with Section 186 of the Companies Act 2013.
3. According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as trade advances amounting to related parties which no stock/ services has been received from the counterparties till May 30th, 2024. These advances can be construed as being in the nature of loans and attract non compliances under Companies Act 2013 since no approvals have been obtained in relation to the same.
4. The Company has not taken into consideration the implication of additions on account of Section 43B(h) of the Income Tax Act specifically covers any sum payable by the assesses to micro or small enterprises (MSEs). This section ensures that MSEs receive timely payments within the stipulated time as determined by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 hence we are unable to comment on the impact of the same on the income tax provision.
5. Overall litigations and contingencies on the Company are pending to be evaluated by the Management and the Management has not ascertained the legal position of the Company, the possible cash outflow and its consequential impact on these Consolidated Financial Statements. Pending management evaluation of legal positions and possible cash outflows, we are unable to obtain sufficient appropriate audit evidence with respect to completeness and disclosure of litigation and contingencies and consequential impact on these Consolidated Financial Statements.
6. There enquiries which been conducted by Securities and Exchange Board of India, Income Tax Department and Goods and Service Tax Department. Further Department of Income Tax and Department of Goods and Service Tax has also issued notices/demands and is seeking explanations by the Company. The Company is engaging and providing details and responses to all such enquiries and demands, as raised on the Company.
7. Pending outcome of the investigation initiated on the Company by regulators and management assessment thereon, we are unable to determine the potential impact with Applicable Laws and determine the outcome of such enquiries and any further adjustments that may be necessary to these Consolidated Financial Statements.
8. During the course of audit, it was observed that the Company has realized cash withdrawals to the tune of INR 0.47 crores during the period April 2024 to June 2024. Company hereby not able to justify the reason for such a huge cash withdrawal and we are not able to give opinion about the same.
9. We draw attention to Note 11 to the financial statements, which indicates that a proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBBI/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 in regards to the same. The Company has not been able to ascertain the status and potential outcome of this litigation. In our opinion, the uncertainty surrounding this litigation represents a significant risk to the Company's financial position and results of operations. We qualify our opinion on the financial statements, as we are unable to express an opinion on the adequacy of provisions or disclosures related to this litigation.

### **Qualified Conclusion**

Based on our review conducted as above, except for the possible effects of the matters as described in the “Basis of Qualified Conclusion” section above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Consolidated financial results prepared in accordance with the recognition and measurement principal laid down in the aforesaid

Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Material Uncertainty Related to Going Concern**

Company has incurred a net loss of INR Rs. 862.42 crore during the quarter ended June 30, 2024. Further the company also has unpaid statutory liabilities to the tune of INR 549.35 crores including interest outstanding since last 2 years which the Company has not been able to service. The above factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on ongoing discussions with new investors, management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement. Our opinion is not modified in respect of this matter.

### **Emphasis of matter**

15. We draw your attention to Note 5; of the Consolidated Financial Statements, which states that the Company has received Income tax Demands for AY 16-17, AY 18-19 AY 19-20, AY 20-21, AY21-22 against order u/s 147 of Income tax Act to the tune of INR 1356.18 crores wherein the Company has filed appeals against such orders post the prescribed time limit. However, based on Management evaluation and analysis of such orders and the validity of such demands it has created a provision of INR 293.91 crores in regards to the same.
16. We draw your attention to Note 3 of the Consolidated Financial Statements wherein the company has an unspent balance of INR 3.26 crores and INR 12.60 crores on account of CSR for the FY 21-22 and FY 22-23 respectively, the company has decided to spent the same on ongoing projects, the law stipulates that any unspent amount which has to be spent on ongoing has to be transferred to a special bank account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013. However, the same has not been deposited by the company till May 30, 2024. As per Section 134(8) of the companies Act "Penalties for not discharging the duty of CSR", the company will be liable for a penalty that would be twice the amount required to be transferred by the company to the specified fund under Schedule VII or the unspent CSR account, as the case may be, or ₹1 crore, whichever is less. As regards an officer of the company, the penalty would be 1/10th of the amount required to be transferred by the company to such fund or the unspent CSR account, as the case may be, whichever is less.
17. We draw your attention to Note 07; of the Consolidated Financial Statements, which states that the Company is carrying significant balances as trade and other receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on June 30, 2024. Further the Company has created an incremental expected credit loss provision to the tune of INR 833.18 Crores during the period in relation to recoverability of such debts after assessing the impact and status of such receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor.
17. We draw your attention to Note 06 of the Consolidated Financial Statements that the Company has not yet paid the statutory dues as on June 30, 2024 to the tune of over INR 549.35 crores with an ageing of 0-33 months consisting of Self-Assessment Income Tax dues in relation to FY 20-21, FY 21-22, FY 22-23 and FY 23-24, Provident Fund, ESIC dues, Professional Tax, Tax Deducted at Source and Tax Credited at Source. Further the Company has not yet filed tax audit return and audit report for FY 21-22.
18. We draw your attention to Note 12 of the Standalone Financial Statements which states that The Chief Financial Officer ('CFO') Ms. Ankita Satwara resigned from the Company w.e.f from closing business hours of 31st July, 2024. The casual vacancy was required to be filled by the Company latest by 30th October, 2024. However, Company has not yet appointed any new CFO as on the date of this financial statement.

19. We draw your attention to Note 13 of the Standalone Financial Statements which states that The Company Secretary ('CS') Ms. Meghal Mehta resigned from the Company w.e.f from closing business hours of 30th June, 2024. The casual vacancy was required to be filled by the Company latest by 29th September, 2024. However, Company has not yet appointed any new CS as on the date of this financial statement.

### **Other Matters**

20. The consolidated unaudited results includes the interim financial result of 3 subsidiaries whose interim financial statement/ Financial information / Financial Result comprise of Total revenue from operation of Rs. 0.32 Crores and total Net profits/(loss) after tax of Rs. (535.22) Crores for the quarter ended June 30, 2023 which have not reviewed by us. These interim financial results have been reviewed by other auditor whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the subsidiaries is based solely on the review report of the such other auditor.
21. The consolidated unaudited financial results includes the interim financial information of 2 subsidiaries which have not been reviewed by their auditors, whose interim financial statement/ Financial information / Financial Result comprise of Total revenue from operation of Rs. 0 Crores and total Net profits/(loss) after tax of Rs. (0.004) Crores for the quarter end June 30, 2023. Our conclusion on the statement, in so far as it relates to the amount and disclosure included in respect of these subsidiaries are based solely on such unreviewed interim financial results according to information and explanation given to us by the management, these interim financial results are not material to the group. Our conclusion on the statement is not modified in respect of above matters.

For Naik Mehta & Co.  
Chartered Accountants  
FRN:124529W

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Date: 2024.08.14  
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CA Alpa Mehta  
Partner  
Membership No. 107896.  
Place : Mumbai  
Date : 14<sup>th</sup> August, 2024  
UDIN : 24107896BKCTVH7532

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Quarterly Consolidated Limited Reviewed Financial Results**

Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2024 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<i>(Amount in INR crores)</i>				
I.	Sl.No.	Particulars	Unaudited Figures (as reported before adjusting for qualifications)	Unaudited Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	16.22	16.22
	2.	Total Expenditure	870.75	870.75
	3.	Net Profit/(Loss) before tax	862.42	862.42
	4.	Earnings Per Share	136.54	136.54
	5.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II(i)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p><b>a. Details of Audit Qualification:</b> According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables, trade payables, Inter corporate deposits for validating outstanding balances during the year are subject to confirmation. Accordingly, we have sent a total of 39 confirmation for confirming closing balances amounting to INR 387.96 crores as on 30th June 2024. However, we have not received sufficient and appropriate confirmation for confirming balances amounting to INR 75.53 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the quarter ended June 30, 2024.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of qualification:</b> Recurring</p> <p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>f. Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p><b>g. If management is unable to estimate the impact, reasons for the same:</b>  Evaluation is in Process.</p> <p><b>h. Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>			
II(ii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p><b>a. Details of Audit Qualification:</b> According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as loans to related parties against which no interest has been charged. This same is in non-compliance with Section 186 of the Companies Act 2013.</p>			

	<p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(iii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> According to the information and explanation given to us and based on the audit procedures performed, the company has advanced significant balances as trade advances amounting to related parties which no stock/ services has been received from the counterparties till May 30th, 2024. These advances can be construed as being in the nature of loans and attract non compliances under Companies Act 2013 since no approvals have been obtained in relation to the same.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(iv)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> The Company has not taken into consideration the implication of additions on account of Section 43B(h) of the Income Tax Act specifically covers any sum payable by the assesses to micro or small enterprises (MSEs). This section ensures that MSEs receive timely payments within the stipulated time as determined by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 hence we are unable to comment on the impact of the same on the income tax provision.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p>

	<p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>i. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>ii. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>iii. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(v)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> Overall litigations and contingencies on the Company are pending to be evaluated by the Management and the Management has not ascertained the legal position of the Company, the possible cash outflow and its consequential impact on these Consolidated Financial Statements. Pending management evaluation of legal positions and possible cash outflows, we are unable to obtain sufficient appropriate audit evidence with respect to completeness and disclosure of litigation and contingencies and consequential impact on these Consolidated Financial Statements.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b> Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(vi)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b> There enquiries which been conducted by Securities and Exchange Board of India, Income Tax Department and Goods and Service Tax Department. Further Department of Income Tax and Department of Goods and Service Tax has also issued notices/demands and is seeking explanations by the Company. The Company is engaging and providing details and responses to all such enquiries and demands, as raised on the Company.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p>

	<p>c. <b>Frequency of qualification:</b> Recurring</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p style="padding-left: 40px;">Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(vii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b></p> <p>b. Pending outcome of the investigation initiated on the Company by regulators and management assessment thereon, we are unable to determine the potential impact with Applicable Laws and determine the outcome of such enquiries and any further adjustments that may be necessary to these Consolidated Financial Statements.</p> <p>c. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>d. <b>Frequency of qualification:</b> First time</p> <p>e. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>f. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>g. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>h. <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p style="padding-left: 40px;">Evaluation is in Process.</p> <p>i. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(viii)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b></p> <p>During the course of audit, it was observed that the Company has realized cash withdrawals to the tune of INR 0.47 crores during the period April 2024 to June 2024. Company hereby not able to justify the reason for such a huge cash withdrawal and we are not able to give opinion about the same.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> Recurring</p>


	<p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p style="padding-left: 40px;">Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>
II(ix)	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b>  We draw attention to Note 11 to the financial statements, which indicates that a proceeding against the company for Corporate Insolvency Resolution Process has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 filed against the Company by Incred Financial Services Limited) (Financial Creditor) for default amount of Rs. 2,05,54,296/- has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench Order dated 02.08.2024 and Mr. Pawan Kumar Singal having Registration Number IBB/IPA-001/IP-P01172/2018-2019/12229 has been appointed as Interim Resolution Professional by the Honorable National Company Law Tribunal, Mumbai bench under section 13(l)(c) of the Insolvency and Bankruptcy Code, 2016. The Company has received the stay against the order from Honorable National Company Law Appellate Tribunal (NCLAT) dated 12th August 2024 in regards to the same. The Company has not been able to ascertain the status and potential outcome of this litigation. In our opinion, the uncertainty surrounding this litigation represents a significant risk to the Company's financial position and results of operations. We qualify our opinion on the financial statements, as we are unable to express an opinion on the adequacy of provisions or disclosures related to this litigation.</p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion</p> <p>c. <b>Frequency of qualification:</b> First Time</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not ascertainable.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>f. <b>Management's estimation on the impact of audit qualification:</b> Unascertained</p> <p>g. <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p style="padding-left: 40px;">Evaluation is in Process.</p> <p>h. <b>Auditors' Comments on (i) or (ii) above:</b> Not Applicable</p>

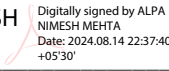
III.

**Signatories:**

•   
\_\_\_\_\_  
Mr. Amit Satwara  
Executive Director

• \_\_\_\_\_  
CFO

•   
\_\_\_\_\_  
Mr. Sharad Jain  
Audit Committee Chairman

• ALPA NIMESH   
MEHTA  
\_\_\_\_\_  
Naik Mehta & Co.  
Statutory Auditor

Place: Mumbai

Date: August 14, 2024