SUUMAYA INDUSTRIES LIMITED

(Formerly known as Suumaya Lifestyle Limited)

CIN: L18100MH2011PLC220879

Reference No. SUULD/NSE/22-23/018

Date: June 15, 2022

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**

Sub: Clarification for Financial results - SUULD.

Ref: mail dated June 14, 2022

Dear Sir/Madam,

With reference to your email communications received from neaps@nse.co.in for captioned subject matter with query:

1. The company has not submitted the Statement of Modified Opinion or in case of unmodified opinion(s), a declaration to that effect to the Stock Exchange.

Reply: We would like to inform you that Company has submitted the quick result on May 30, 2022, however an incorrect file was uploaded and when we were again trying to upload the correct file on quick result it shows already exist/submitted.

After that we have uploaded the correct file in General Updates under the head of Announcement on June 1, 2022, also file is attached herewith.

If you require any further clarifications/information we would be glad to provide the same.

Thanking you,
Yours Sincerely,

For Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

ushik mahesh gala
Digitally signed by ushik mahesh gala
Date: 2022.06.15 12:28:03 +05'30'

Ushik Gala
Chairman and Managing Director
DIN: 06995765

Registered Office:
5/F, D Wing, Malad Industrial Estate,
Kachpada, Ramchandra Lane Extension,
Malad (West), Mumbai - 400064(India).

Corporate Office:
A-906, 9th Floor, The Capital, G-Block,
Opp. ICICI Bank, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051(India).

Registered Office : 022 4971 2096
Corporate Office : 022 4963 2139
E : info@suumayaindustries.com
W : www.suumayaindustries.com

SUUMAYA INDUSTRIES LIMITED

(Formerly known as Suumaya Lifestyle Limited)
CIN: L18100MH2011PLC220879

Reference No. **SUULD/NSE/22-23/012**

Date: May 30, 2022

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: Update on Outcome of Board Meeting held on Monday, May 30, 2022

Dear Sir/Madam,

In furtherance to our letter dated May 24, 2022, 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 (Formerly known as Suumaya Lifestyle Limited) ("the Company") at their meeting held on Monday, May 30, 2022, which commenced at 05.00 p.m., has *inter-alia*:

(a) Approved and taken on record, the Audited Standalone and Consolidated Financial Results of the Company for the quarter / financial year ended March 31, 2022;

(b) Approved shifting of the Company's Registered Office within the local limits of the city subject to approval of Ministry of Corporate Affairs and such other regulatory authorities as may be required. The new proposed registered office of the Company is as under:
Wing A,B & F, Unit No. 2001-2002, 20th Floor, Lotus Corporate Park, Near Jai Coach, Western Express Highway, Goregaon, Mumbai – 400063.

(c) Approved increasing the Company's stake in Suumaya Trends Private Limited ("STPL"), the Subsidiary of the Company, from 64% to 100%, through purchase via transfer of 36% stake from the existing shareholder of STPL thereby making STPL the Wholly-Owned Subsidiary of the Company w.e.f. the date of transfer.

(d) Approved subscribing to the Equity Shares offered by Suumaya Trans Logistics Limited ("STLL"), the Wholly-Owned Subsidiary of the Company, on Right basis.

The proposed investment will not result in change in the shareholding and/or control of the Company over STLL.

The proposed investment by the Company by way of subscription of offered Equity Shares of STLL will be within the limit of investment provided under Section 186 of the Companies Act, 2013 and other applicable provisions and rules made thereunder.

SUUMAYA INDUSTRIES LIMITED

Registered Office:
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Kachpada, Ramchandra Lane Extension,
Malad (West), Mumbai - 400064(India).

Corporate Office:
20th Floor, B-Wing, Lotus Corporate
Park, Near Jay Coach, Off- Western Express ,
Highway, Goregaon East, Mumbai – 400063.

Registered Office : 022 4971 2096
Corporate Office : 022 6921 8000
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SUUMAYA INDUSTRIES LIMITED

(Formerly known as Suumaya Lifestyle Limited)

CIN: L18100MH2011PLC220879

Further pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

(a) Audited Standalone and Consolidated Financial Results for the quarter / year ended March 31, 2022;

(b) Auditors' Reports on Standalone and Consolidated Financial Results for the quarter/ year ended March 31, 2022, with Statement on Impact of Audit Qualifications;

(c) The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015 read with SEBI Circular No. CIR / CFD / CMD / 4 / 2015 dated 9th September 2015.

The date of Annual General Meeting and Book closure date will be disclosed in due course of time.

The Board Meeting concluded at 07.00 p.m.

Kindly take the same on your records.

Thanking you
Yours Faithfully,

For Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

Ushik Gala
Chairman and Managing Director
DIN: 06995765

Encl: a/a

Registered Office:
5/F, D Wing, Malad Industrial Estate,
Kachpada, Ramchandra Lane Extension,
Malad (West), Mumbai - 400064(India).

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20th Floor, B-Wing, Lotus Corporate
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Registered Office : 022 4971 2096
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SUUMAYA

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(₹ in crores)

	Particulars	Quarter ended			Year ended	Year ended
		31.03.2022	31.03.2021	31.12.2021	31.03.2022	31.03.2021
		(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1	**Revenue from operations**	1,283.32	1,197.49	1,168.77	6,754.23	2,448.75
2	**Other income**	0.12	0.37	2.89	5.10	1.15
3	**TOTAL REVENUE (1+2)**	**1,283.44**	**1,197.86**	**1,171.66**	**6,759.33**	**2,449.90**
4	**Expenses**					
	(a) Cost of raw materials consumed	481.09	1,020.97	1,166.47	5,762.81	2,071.87
	(b) Purchases of stock-in-trade	-	-	-	1.38	-
	(c) Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	406.47	(51.77)	(78.85)	84.11	(76.61)
	(d) Employee benefit expenses	1.21	0.77	0.91	7.62	2.80
	(e) Finance costs	2.18	7.63	1.76	7.58	9.50
	(f) Depreciation and amortisation expense	0.22	0.44	2.61	4.70	1.02
	(g) Other expenses	13.12	10.56	5.67	24.31	25.00
	TOTAL EXPENSES (4a to 4g)	**904.29**	**988.60**	**1,098.57**	**5,892.50**	**2,033.58**
5	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)**	**379.15**	**209.26**	**73.09**	**866.83**	**416.32**
	Exceptional items	279.33	-	-	279.33	-
6	**PROFIT BEFORE TAX**	**99.82**	**209.26**	**73.09**	**587.50**	**416.32**
7	**Tax expense**					
	(a) Current tax	77.11	(5.21)	(2.28)	157.06	58.55
	(b) Deferred tax credit/(charge)	0.01	(0.01)	0.31	0.53	(0.01)
	TOTAL TAX EXPENSE (7a + 7b)	**77.12**	**(5.22)**	**(1.97)**	**157.59**	**58.54**
8	**PROFIT FOR THE PERIOD (6-7)**	**22.70**	**214.48**	**75.06**	**429.91**	**357.78**
9	**OTHER COMPREHENSIVE INCOME (OCI)**					
	(a) Items that will not be reclassified to profit and loss	-	-	-	-	-
	(b) Items that will be reclassified to profit and loss	-	-	-	-	-
10	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (8+9)**	**22.70**	**214.48**	**75.06**	**429.91**	**357.78**
11	**Paid-up equity share capital (Face Value ₹10/- each)**	30.57	28.07	28.07	30.57	28.07
12	**Earnings per share, FV of ₹ 10/- each (not annualised except for year ended March 31, 2022 and March 31, 2021)**					
	(a) Basic (in ₹)	8.09	89.01	26.74	153.17	148.47
	(b) Diluted (in ₹)	7.02	84.62	23.18	132.91	141.15

SUUMAYA

AUDITED STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(₹ in crores)

	Particulars	As at March 31, 2022	As at March 31, 2021
(I)	**ASSETS**		
(A)	**Non-current assets**		
(a)	Property, plant and equipment	31.78	8.19
(b)	Right-of-use assets	16.08	3.44
(c)	Goodwill	-	0.05
(d)	Other intangible assets	1.35	0.01
(e)	Intangible assets under development	1.75	0.68
(f)	Financial assets		
	i. Investments	41.46	7.00
	ii. Loans	-	0.38
	iii. Other financial assets	1.93	
(g)	Income tax asset	0.09	0.09
(h)	Other non-current assets	0.83	0.83
	Total non-current assets	**95.27**	**20.67**
(B)	**Current assets**		
(a)	Inventories	5.87	89.98
(b)	Financial assets		
	Investments	0.31	-
	i. Trade receivables	115.06	2,035.03
	ii. Cash and cash equivalents	2.25	52.25
	iii. Bank balances other than (ii) above	1.45	10.00
	iv. Loans	19.63	16.55
	v. Other financial assets	1,631.12	31.83
(c)	Other current assets	36.87	48.22
	Total current assets	**1,812.57**	**2,283.86**
	TOTAL ASSETS	**1,907.84**	**2,304.53**

	Particulars	As at March 31, 2022	As at March 31, 2021
(II)	**EQUITY AND LIABILITIES**		
(A)	**Equity**		
(a)	Equity share capital	30.57	28.07
(b)	Other equity	847.55	408.98
	Total equity	**878.12**	**437.05**
(III)	**LIABILITIES**		
(A)	**Non-current liabilities**		
(a)	Financial liabilities		
	i. Borrowings	3.19	3.03
	ii. Lease liabilities	12.97	3.00
(b)	Deferred tax liabilities (Net)	0.60	0.06
(d)	Provisions	0.07	-
	Total non-current liabilities	**16.83**	**6.09**
(B)	**Current liabilities**		
(a)	Financial liabilities		
	i. Borrowings	54.16	59.48
	ii. Lease liabilities	3.00	0.51
	iii. Trade payables	-	
	- total outstanding dues of micro enterprises and small enterprises;	0.09	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	703.38	1,718.56
	iv. Other financial liabilities	12.85	1.50
(b)	Income tax liabilities	216.20	63.17
(c)	Other current liabilities	23.22	18.17
(d)	Provisions		-
	Total current liabilities	**1,012.89**	**1,861.39**
	Total liabilities	**1,029.72**	**1,867.48**
	TOTAL EQUITY AND LIABILITIES	**1,907.84**	**2,304.53**

SUUMAYA

Standalone Statement of Cash Flows for the year ended March 31, 2022

Rs in crores

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	587.50	416.32
Adjustments :		
Depreciation and amortisation expense	4.70	1.02
Unwinding of discount on deposits	(0.27)	(0.01)
Dividend Income	-	-
Interest income	(0.68)	(0.99)
Other income	(0.39)	(0.16)
Finance cost	7.58	9.50
Operating profit before working capital changes	598.44	425.68
Adjustments for change in working capital:		
Decrease/(Increase) in Inventories	84.11	(76.61)
Decrease /(Increase) in Trade receivables	1,919.97	(1,969.26)
Decrease/ (Increase) in Loans	(2.70)	(15.92)
Decrease/ (Increase) in Other financial assets	(1,601.22)	(31.00)
Decrease/ (Increase) in Other current assets	11.35	(41.65)
Decrease/ (Increase) in Other non - current assets	-	0.24
(Decrease) / Increase in Trade payables	(1,015.10)	1,685.85
(Decrease) / Increase in Other financial liabilities	11.35	(1.28)
(Decrease) /Increase in Other current liabilities	5.05	18.17
Less: Taxes paid	(4.04)	(3.90)
Net cash inflow / (outflow) from operating activities	**7.20**	**(9.68)**
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments	(29.35)	(5.14)
Purchase of intangibles under development	(1.07)	(0.68)
Investment in subsidiaries	(34.45)	(7.00)
Investment in others	(0.31)	0.00
Interest income	0.69	0.02
Redemtion/Investment in bank deposits	8.55	(10.00)
Net cash inflow / (outflow) from investing activities	**(55.94)**	**(22.80)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share warrants	14.06	41.21
Proceeds from borrowings (net)	(5.16)	42.40
Principal repayment of lease liability	(0.22)	(0.57)
Finance cost	(7.58)	(2.90)
Payment of dividend	(2.36)	(0.38)
Net cash inflow / (outflow) from financing activities	**(1.26)**	**79.76**
Net Increase/(Decrease) in cash and cash equivalents	(50.00)	47.28
Add : Cash and cash equivalents at beginning of the year	52.25	4.96
Cash and cash equivalents at end of the year	**2.25**	**52.24**

SUUMAYA

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 30th May, 2022. The statutory auditors have carried out audit 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) 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.

4) In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of employees and ensure business continuity with minimal disruption. In view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventories and other non current/current assets (net of provisions established) for any possible impact on the standalone financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment, the carrying amount of assets will be recovered and no material adjustments is required in the preparation of these standalone financial results. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.

5) During the year ended, the Company has entered into an assignment arrangement with a financial institution ("Assignee") for assignment of receivables and payables. Under the said arrangement, the Assignee does not have any recourse on the Company for the amount of receivables and payables assigned. The gross amount of receivables and payables assigned to the Assignee is INR 7,251.39 crores and INR 5,632.79 crores respectively. The net receivable from the Assignee is classified under head "other financial assets" in the financial results.

While the Company has a good experience of having collected such balances from its customers, it enters into such arrangements since they improve working capital management for the Company and its customers.

6) During the year ended, the Company has transferred its Brand business of manufacturing of ethnic women wear to its wholly owned subsidiary, Suumaya Retail Limited.

7) The Company had declared a final dividend of Rs 2.75 per share on 28th September 2021. The Company has received waiver letters from 253 shareholders holding 2,54,33,279 shares in the Company waiving their right to final dividend entitlement from the Company.

8) The Company has realized 75% allotment monies amounting to Rs. 14.06 crores on behalf of the respective allottees on multiple dates against allotment of balance 2,499,655 equity shares made on 31 March 2022 on conversion of 2,499,655 warrants.
The allotees have availed financing/ loan facility from an NBFC for payment of consideration of equity shares as declared and received in cash by the Company on behalf of the respective allottee's from the NBFC. The shares have been allotted by the Company to the allotees, however, the approval for the same is under process at the Exchange.

9) As at 31st March 2022, the Company had reversed Goods and Services Tax input tax credit (ITC) by filing DRC 03. The Company has accounted for the above reversal of ITC as recoverable from parties to whom the GST amount was paid. The management is of the view that the same is fully recoverable and necessary legal actions are being taken in this regard and accordingly no provision has been created.

10) As at 31st March 2022, provision for tax is outstanding for the year ended 31 March 2021.

11) During the current year ended, the Company has written off outdated and obsolete inventory amounting to Rs 279.33 crores. The Management has obtained independent expert report on the same as well.

12) The Company had availed few supply chain finance facilities/limits from various NBFCs during the financial year under review. These facilities were in the nature of either sales invoices discounting or anchor-based vendor finance programs or purchase invoice discounting. These facilities were on a "with recourse" basis, wherein, in case of any delay or overdue from the customer's side, the Company has to make good the amount due, along with interest thereon. At instances wherein there was a delay from the customer's side for making the payment against such invoices, the Company has repaid the respective lenders.

13) For the period under review, the growth in the scale of operations and profitability of the Company was on account of continuous supply contracts with some of their top customers, resultant to which, there has been comparatively less granularity on the B2B business vertical.

14) Due to the volatile nature of the agro produce and its related commodities, the Company has a business arrangement and understanding with its vendors and customers for mitigating the risk of such fluctuating commodities. Such arrangements are made in the normal course of business for having a stop-loss or a minimum level of profitability on the supplies being made. Such adjustments with vendors and customers are being accounted for in their regular running ledger balance with the Company and are adjusted by way of a credit note or a debit note, as the case may be. The Company has recorded debit notes of Rs 366 crores to debtors and received credit notes of Rs 370 crores from creditors for trades conducted during the year.

15) For the period under review, the Company did not have an effective interface between various functional software relating to revenue and inventory management with the accounting software resulting in accounting entries and inventory registers being made manually on for the year ended March 31, 2022.

16) The Company has an unspent balance of Rs. Rs 2.88 crores as on 31st March 2022 on CSR, which the Company has decided to spend on ongoing projects. The Management is in the process of opening the special bank account for such purpose and shall earmark the unspent funds in the stipulated manner then.

17) There was a complaint filed against the Company and all it's directors and KMP by Capalpha Trade Private Limited ('Capalpha') in October 2021 under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheque drawn on the Company. The Company had entered into an agreement on 19th April 2021 with the intent and spirit to provide indemnity and safeguard Capalpha's supplies to one of their customers, Dentsu Communication India Pvt Ltd. wherein the Company and it's group companies sold agriculture goods to Capalpha Trade Private Limited for further sale of such goods to Dentsu. The Company realized proceeds on such sale wherein it had further given a indemnity to Capalpha that in case of any default by Dentsu on non-payment of invoices for over 60 days to pay Capalpha, all the loss and damages shall be borne by SIL along with interest @1.5% per month. Hence on default by Dentsu to pay Capalpha within the stipulated time period, Capalpha has filed an arbitration petition against Denstu for the recovery of their dues from Dentsu and the matter is currently sub-judiced and hence it is not an ascertained liability on the company as an indemnifier until Capalpha loses this arbitration. The Management has evaluated legal positions and possible cash outflows of the said amount is noted as contingent liabilities (approximately INR 117 crores + interest @1.5% per month on reducing balance method) in the standalone Financial Statements of the Company

18) The Company's Chairman and Managing Director Mr. Ushik Gala was taken for questioning by Economic Offence Wing (EOW) on February 25, 2022, for questioning related to FIR filed by Capalpha Trade Pvt Ltd. Mr. Ushik Gala was further granted bail by the Additional Chief Metropolitan Magistrate on March 14, 2022. The Matter is sub-judice and hence the impact on the Company cannot be ascertained. Further, a quashing application to quash the FIR has been filed on behalf of Mr. Ushik Gala in the Hon'ble High Court of Judicature at Bombay.

19) The Company's bank account had a debit freeze by the Economic Offences Wing for the period from 25th February, 2022 to 11th April, 2022 for the complaint made by Capalpha Trade Pvt Ltd against Dentsu Communications India Pvt Ltd.

20) The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

21) The ratios are as follows:

Particulars	Year ended 31.03.2022 (Audited)
Debt Service Coverage Ratio	71.07
Interest Service Coverage Ratio	174.88
Debt Equity Ratio	0.07

For and on behalf of the Board
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

Mr. Ushik Gala
Chairman and Managing Director
DIN: 06995765

SUUMAYA INDUSTRIES LIMITED

Place: Mumbai
Date: 30th May, 2022

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 • **Mob.:** 9820462132
E-mail: naikmehta100@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the Audit of the Standalone Annual Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date standalone annual financial results of Suumaya Industries Limited (hereinafter referred to as the 'Company") for the quarter and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

a. Is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. Except for the possible effects of the matters described in the basis for qualified opinion paragraph below gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other financial information of the company for the quarter and for the year ended March 31, 2022.

Basis for Qualified Opinion

1. Suumaya Industries Limited ("SIL" or "Company") assigned its Receivables of INR 7,251.38 Crores and Payables of INR 5632.79 Crores (Net receivables of INR 1618.59 Crores) to a Non- Banking Finance Company ("NBFC" or "Assignee") during the Financial Year 2021-22 on a Non-Recourse Basis for which the NBFC will charge SIL 0.5% of the Net receivables. However, the Net worth of the said NBFC as per the Audited Financial statement as on March 31, 2021 was INR 6.85 Crores. There has been no expected credit loss provision created as per IND AS 109 regarding such Assignment based on above stated figures. Accordingly, we are unable to comment on above assignment and the consequential impact on Standalone Financial Statements.

2. According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables and trade payables for validating sales and purchase transactions and outstanding balances during the year are subject to confirmation. Accordingly, we sent the confirmation to 29 vendors and customers for confirming closing balances amounting to INR 846.32 crores (out of which INR 622 crores pertains to group companies) and transactions (net sales and net purchase) amounting to INR 12,062.21 crores (out of which INR 1563 crores pertains to group companies) during the FY 21-22. However, we have not received sufficient and appropriate confirmation from 13 parties for confirming closing balances amounting to INR 24.73 crores and transactions amounting to INR 2434.67 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the year ended March 31, 2022.

3. According to the information and explanation given to us and based on the audit, the company is carrying significant balances as trade receivables including amounts outstanding from earlier accounting periods amounting to INR 56.83 crores which are outstanding for a period over 180 days as on March 31, 2022. Management represented that it has not created any expected credit loss provision in relation to recoverability of such debts after assessing the impact and status of such receivables. The Management needs to estimate the recoverability of the individual receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor and makes provisions against the same with reference to the recoverable amount.

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Standalone Annual Financial Results

4. Company's business model majorly was to make a purchase from a vendor on ex-warehouse terms and the same goods were sold to the customer on pick from warehouse terms wherein we were unable to obtain any other audit evidence except for bill of supply. Hence, we were unable to obtain sufficient and appropriate audit evidence to verify such ex-warehouse transactions and assess their consequential impact on the financial results as at end for the year ended March 31, 2022

5. The Company has carried out majority of its trades from third party warehouses on an ex-warehouse basis wherein the movement is conducted by the last party to the sale hence we were unable to conduct physical stock verification procedures or obtain any third-party warehouse confirmations for performing audit procedures around inventory

Emphasis of matter

1. We draw your attention to Note 11 of the Standalone Financial Statements, which states that the Company has written off Inventory of INR 279.33 Crores in the Standalone Financial Statements in the month of March 2022. The Management has represented that the same is on account of obsolete and expired stock items related to the Medical Textile Segment which have been scrapped in March 2022. The Company has obtained an independent expert confirmation to validate and substantiate the obsoleteness of such stock item and validate that the inventory is not marketable.

2. We draw your attention to Note 14 of the Standalone Financial Statements wherein the Management represented that due to the volatile nature of the agro produce and its related commodities, the Company has a business arrangement and understanding with its vendors and customers for mitigating the risk of such fluctuating commodities. Such arrangements are made in the normal course of business for having a stop-loss or a minimum level of profitability on the supplies being made. Such adjustments with vendors and customers are being accounted for in their regular running ledger balance with the Company and are adjusted by way of a credit note or a debit note, as the case may have a material impact on the profitability in the last quarter for the FY 21-22. The Company has recorded debit notes of INR 366 crores (INR 200 crores in Q4FY22) to debtors and received credit notes of INR 370 crores (INR 91.62 crores in Q4FY22) from creditors for trades conducted during the year.

3. We draw attention to note 7 of the standalone financial statements of Suumaya Industries Limited ("SIL") wherein SIL has declared a final dividend of INR 2.75 per share on 28th September 2021. The Company stated that it has received waiver letters from 253 shareholders holding 2,54,33,279 shares in the Company waiving their right to final dividend entitlement from the Company.

4. We draw your attention to Note 16 of the Standalone Financial Statements as per the information and explanation were given by the management, the company has an unspent balance of INR 2,88,13,291 as March 31, 2022 on CSR, the company has decided the spent 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 April 30, 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.

5. We draw your attention to Note 12 of the Standalone Financial Statements, The Company had availed few supply chain finance facilities/limits from various NBFCs during the financial year under review. These facilities were in the nature of either sales invoices discounting or anchor-based vendor finance programs or purchase invoice discounting. These facilities were on a "with recourse" basis, wherein, in case of any delay or overdue from the customer's side, the Company must make good the amount due, along with interest thereon. There have been multiple instances wherein there was a delay from the customer's side for making the payment against such invoices wherein the Company has repaid the respective lenders on the behalf of the Customer

NAIK MEHTA & CO. FRN 124529W MUMBAI Chartered Accountants

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Standalone Annual Financial Results

6. We draw your attention to Note 8 of the Standalone Financial Statements wherein the Company has realized 75% allotment monies amounting to INR 14.06 crores on behalf of the respective allottees on multiple dates against the allotment of the balance of 2,499,655 equity shares made on March 31, 2022, on the conversion of 2,499,655 warrants. The allottees have availed financing/ loan facility from an NBFC for payment of consideration of equity shares as declared and received in cash by the Company on behalf of the respective allottee from the NBFC. The shares have been allotted by the Company to the allottees, however, the approval for the same is under process at the Exchange.

7. We draw your attention to Note 9 of the Standalone Financial Statements, during FY 21-22, the company had reversed a Goods and Service Tax - Input Tax Credit for an amount of INR 27.88 Crores by filing DRC03. The Company accounts for the above reversal of ITC by showing it as recoverable from parties to whom the GST Amount was paid as credit. The recoverability of such an amount is a judgment call which the Management represented that the amount is recoverable from these vendors in due course and there is no expected provision necessary for the recoverability of such an amount from the vendor

8. We draw your attention to Note 10 of the Standalone Financial Statements that the Company has not yet paid Self-Assessment Income Tax dues in relation to FY 20-21 as of March 31, 2022.

9. We draw your attention to Note 13 of the Standalone Financial Statements wherein the Company faces concentration risk wherein over 90% of the sales and purchase transactions are made with respective Top 5 parties throughout the year. This gives rise to a major risk in case of default by any of the parties.

10. We draw your attention to Note 15 of the Standalone Financial Statements which indicates that the company did not have an effective interface between various functional software relating to Sales/Revenue and Inventory Management with the accounting software resulting in accounting entries and inventory registers being made manually on for the year ended March 31, 2022, which might lead to risk of misstatement.

11. We draw your attention to Note 17 of the Standalone Financial Statements Wherein there was a complaint filed against the Company and all its directors and KMP by Capalpha Trade Private Limited ('Capalpha') in October 2021 under section 138 of the Negotiable Instruments Act, 1881 for the dishonor of cheque drawn on the Company. The Company stated that it had entered into an agreement on 19th April 2021 with the intent and spirit to provide indemnity and safeguard Capalpha's supplies to one of their customers, Dentsu Communication India Pvt Ltd. wherein the Company and its group companies sold agriculture goods to Capalpha Trade Private Limited for further sale of such goods to Dentsu. The Company realized proceeds on such sale wherein it had further given an indemnity to Capalpha that in case of any default by Dentsu on non-payment of invoices for over 60 days to pay Capalpha, all the loss and damages shall be borne by SIL along with interest @1.5% per month. Hence on default by Dentsu to pay Capalpha within the stipulated time period, Capalpha has filed an arbitration petition against Denstu for the recovery of their dues from Dentsu and the matter is currently sub-judiced and hence it is not an ascertained liability on the company as an indemnifier until Capalpha loses this arbitration. The Management has evaluated legal positions and possible cash outflows of the said amount is noted as contingent liabilities (approximately INR 117 crores + interest @2% per month on reducing balance method) in the standalone Financial Statements of the Company.

12. We draw your attention to Note 18 of the Standalone Financial Statements wherein The Company's Chairman and Managing Director Mr. Ushik Gala was taken for questioning by Economic Offence Wing (EOW) on February 25, 2022, for questioning related to FIR filed by Capalpha Trade Pvt Ltd. Mr. Ushik Gala was further granted bail by the Additional Chief Metropolitan Magistrate on March 14, 2022. The Matter is sub-judice and hence the impact on the Company cannot be ascertained. Further, a quashing application to quash the FIR has been filed on behalf of Mr. Ushik Gala in the Hon'ble High Court of Judicature at Bombay.

13. We draw your attention to Note 19 of the Standalone Financial Statements according to the information and explanations given to us and based on our audit, the Company Bank accounts were seized by the EOW for the period from 25th February, 2022 to 11th April, 2022 for the legal suit filed by Capalpha Trade Pvt Ltd.

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

NAIK MEHTA & CO. FRN 124529W MUMBAI Chartered Accountants

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Standalone Annual Financial Results

Managements and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These statement results have been prepared based on the Standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

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 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls 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 the Management and Board of Directors

- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results 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 Statement, including the disclosures, and

MUKESH MEHTA & CO. FRN 124529W MUMBAI Chartered Accountants

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Standalone Annual Financial Results

whether the statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matters

In the statement, the figures of the financial results as reported for the quarter ended March 31, 2022 and March 31, 2022 are the balancing figure between the audited figures in respect of the full financial year and the published to date figures up to the third quarter of the relevant financial year which were subject to limited review by us, as required under the Listing Regulations.

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

NAIK MEHTA & CO. FRN 124529W MUMBAI Chartered Accountants

CA Alpa Mehta
Partner
Membership No. 107896.
Place : Mumbai
Date : May 30, 2022.
UDIN : 22107896AJXRKT3546

Suumaya Industries Limited.

Standalone:

Amount in Crores :

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	6,759.33	6,759.33
	2.	Total Expenditure	5,892.50	5,892.50
	3.	Net Profit/(Loss)	429.91	429.91
	4.	Earnings Per Share	153.17 132.91	153.17 132.91
	5.	Total Assets	1,907.84	1,907.84
	6.	Total Liabilities	1,029.72	1,029.72
	7.	Net Worth	878.12	878.12
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification**:
Suumaya Industries Limited ("SIL" or "Company") assigned its Receivables of INR 7251.38 Crores and Payables of Rs.5632.79 Crores (Net receivables of Rs. 1618.59 Crores) to a Non- Banking Finance Company ("NBFC" or "Assignee") as on March 31, 2022 on a Non-Recourse Basis for which the NBFC will charge SIL 0.5% of the Net receivables. However, the Net worth of the said NBFC as per the Audited Financial statement as on 31st March 2021 was INR 6.85 Crores. There has been no expected credit loss provision created as per IND AS 109 regarding such Assignment based on above stated figures. Accordingly, we are unable to comment on above assignment and the consequential impact on Standalone Financial Statements.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Unascertained
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables and trade payables for validating sales and purchase transactions and outstanding balances during the year are subject to confirmation. Accordingly, we sent the confirmation to 29 vendors and customers for confirming closing balances amounting to INR 846.32 crores (out of which INR 622 crores pertains to group companies) and transactions (net sales and net purchase) amounting to INR 12,062.21 crores (out of which INR 1563 crores pertains to group companies) during the FY 21-22. However, we have not received sufficient and appropriate confirmation from 13 parties for confirming closing balances amounting to INR 24.73 crores and transactions amounting to INR 2434.67 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the year ended March 31, 2022.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

According to the information and explanation given to us and based on the audit, the company is carrying significant balances in the financial statements as trade receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on March 31, 2022. Management represented that it has not created any expected credit loss provision in relation to recoverability of such debts after assessing the impact and status of such receivables. The Management needs to estimate the recoverability of the individual receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor and makes provisions against the same with reference to the recoverable amount.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Unascertained
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

Company's business model majorly was to make a purchase from a vendor on ex-warehouse terms and the same goods were sold to the customer on pick from warehouse terms wherein we were unable to obtain any other audit evidence except for bill of supply. Hence, we were unable to obtain sufficient and appropriate audit evidence to verify such ex-warehouse transactions and assess their consequential impact on the financial results as at end for the year ended March 31, 2022

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

The Company has carried out majority of its trades from third party warehouses on an ex-warehouse basis wherein the movement is conducted by the last party to the sale hence we were unable to conduct physical stock verification procedures or obtain any third-party warehouse confirmations for performing audit procedures around inventory.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not appli

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

III. Signatories:

For & Behalf of the Board

Ushik Gala
DIN: 06995765
Chairman & Managing Director

Dhwani Dattani

Chief Financial Officer

Sharad Jain

Audit Committee Chairman

Place: Mumbai
Date: May 30, 2022.

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

CA Alpa Mehta
Partner
Membership No. 107896
Place: Mumbai
Date: May 30, 2022.

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SUUMAYA

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(₹ in crores)

	Particulars	Quarter Ended			Year ended	
		31.03.2022	31.03.2021	31.12.2021	31.03.2022	31.03.2021
		(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1	Revenue from operations	1,802.37	3,011.03	1,007.27	12,816.24	4,262.25
2	Other income	0.34	0.39	4.87	6.35	1.17
3	TOTAL REVENUE (1+2)	1,802.71	3,011.42	1,012.14	12,822.59	4,263.42
4	Expenses					
	(a) Cost of raw materials consumed	(65.16)	2,415.83	1,884.21	10,818.70	3,466.74
	(b) Purchases of stock-in-trade	(4.22)	703.49	36.01	247.45	703.49
	(c) Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	1,330.28	(411.73)	(1,012.23)	365.22	(436.70)
	(d) Employee benefit expenses	1.35	0.83	1.35	8.30	3.04
	(e) Finance costs	2.29	7.59	1.76	8.19	9.46
	(f) Depreciation and amortisation expense	0.39	0.53	2.82	5.71	1.11
	(g) Other expenses	15.41	37.07	6.19	58.56	51.66
	TOTAL EXPENSES (4a to 4g)	1,280.34	2,753.61	920.11	11,512.13	3,798.80
5	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	522.37	257.81	92.03	1,310.46	464.62
	Exceptional items	279.33	-	-	279.33	-
6	PROFIT BEFORE TAX	243.04	257.81	92.03	1,031.13	464.62
7	Tax expense					
	(a) Current tax	61.21	(5.21)	(4.36)	158.20	58.55
	(b) Deferred tax (credit)/charge	(0.15)	(0.02)	0.39	0.37	(0.02)
	TOTAL TAX EXPENSE (7a + 7b)	61.06	(5.23)	(3.97)	158.57	58.53
8	PROFIT FOR THE PERIOD (6-7)	181.98	263.04	96.00	872.56	406.09
9	OTHER COMPREHENSIVE INCOME (OCI)					
	(a) Items that will not be reclassified to profit and loss	-	-	-	-	-
	(b) Items that will be reclassified to profit and loss	-	-	-	-	-
10	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (8+9)	181.98	263.04	96.00	872.56	406.09
11	Profit attributable to:					
	(a) Owners of the group	181.98	263.04	96.00	872.56	406.09
	(b) Non-controlling interest	-	-	-	-	-
12	Other comprehensive income attributable to:					
	(a) Owners of the group	-	-	-	-	-
	(b) Non-controlling interest	-	-	-	-	-
13	Total comprehensive income attributable to:					
	(a) Owners of the group	181.98	263.04	96.00	872.56	406.09
	(b) Non-controlling interest	-	-	-	-	-
14	Paid-up equity share capital (Face Value ₹10/- each)	30.57	28.07	28.07	30.57	28.07
15	Earnings per share, FV of ₹ 10/- each (not annualised except for year ended March 31, 2022 and March 31, 2022)					
	(a) Basic (in ₹)	64.83	109.36	34.20	310.87	168.52
	(b) Diluted (in ₹)	56.26	103.96	29.65	269.77	160.21

SUUMAYA

CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2022

(₹ in crores)

Particulars	Quarter Ended			Year ended	Year ended
	31.03.2022 (Audited)	31.03.2021 (Audited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
I. Segment Value of Sale and Services					
Textile	22.83	-387.30	36.22	155.43	863.92
Agri produce	1,742.19	2,804.25	971.05	12,269.67	2,804.25
Retail	35.80	594.08	-	389.59	594.08
Others	1.55	-	-	1.55	-
Gross Value of Sale and Services	**1,802.37**	**3,011.03**	**1,007.27**	**12,816.24**	**4,262.25**
less: Inter segment transfer	-	-	-	-	-
Net Revenue	**1,802.37**	**3,011.03**	**1,007.27**	**12,816.24**	**4,262.25**
II. Segment Results (EBITDA)					
Textile	(1.40)	35.31	15.01	(17.14)	244.04
Agri produce	521.90	230.90	76.90	1,348.08	230.67
Retail	3.04	(0.67)	(0.17)	(12.74)	(0.69)
Others	1.17	-	-	(0.19)	-
Total Segment Profit before Interest, Depreciation, and Tax	**524.71**	**265.54**	**91.74**	**1,318.01**	**474.02**
less: exceptional items	(279.33)	-	-	(279.33)	-
less: Depreciation and amortisation expense	(0.39)	(0.53)	(2.82)	(5.71)	(1.11)
less: Finance Cost	(2.29)	(7.59)	(1.76)	(8.19)	(9.46)
Add: Other Income	0.34	0.39	4.87	6.35	1.17
Profit before tax	**243.04**	**257.81**	**92.03**	**1,031.13**	**464.62**
(1) Current Tax	61.21	(5.21)	(4.36)	158.20	58.55
(2) Deferred Tax	(0.15)	(0.02)	0.39	0.37	(0.02)
Profit after tax	**181.98**	**263.04**	**96.00**	**872.56**	**406.09**
Segment Assets					
Textile	44.85	486.79	343.04	44.85	486.79
Agri produce	938.25	2,937.13	4,420.35	938.25	2,937.13
Retail	-	727.74	-	-	727.74
Unallocated	1.94	210.65	502.05	1.94	210.65
Others	1,811.19	-	1.38	1,811.19	-
Total Segment Assets	**2,796.24**	**4,362.31**	**5,266.82**	**2,796.24**	**4,362.31**
Segment Liabilities					
Textile	51.59	174.98	61.58	51.59	174.98
Agri produce	18.23	2,818.76	3,429.55	18.23	2,818.76
Retail	2.44	728.12	46.41	2.44	728.12
Unallocated	1,334.37	154.89	541.90	1,334.37	154.89
Total Segment Liabilities	**1,406.63**	**3,876.75**	**4,079.43**	**1,406.63**	**3,876.75**

1. Unallocated assets mainly include cash and cash equivalents, investments, intangible assets, and other corporate assets. Unallocated liabilities mainly include corporate borrowings, income tax liabilities, and other current liabilities

SUUMAYA

Consolidated Balance Sheet as at March 31, 2022

Rs in crores

	Particulars	As at March 31, 2022	As at March 31, 2021
(I)	**ASSETS**		
(A)	**Non-current assets**		
(a)	Property, plant and equipment	34.47	8.19
(b)	Right-of-use assets	16.08	6.69
(c)	Goodwill	-	0.05
(d)	Other intangible assets	1.36	0.01
(e)	Intangible assets under development	1.78	0.68
(f)	Financial assets		-
	i. Investments	5.10	-
	ii. Loans	-	0.51
	iii. Other financial assets	2.05	-
(g)	Deferred tax assets	0.19	0.02
(h)	Income tax asset	6.33	1.01
(i)	Other non-current assets	11.71	0.83
	Total non-current assets	**79.07**	**17.99**
(B)	**Current assets**		
(a)	Inventories	84.72	450.07
(b)	Financial assets		
	i. Investment	0.31	
	ii. Trade receivables	900.32	3,693.36
	iii. Cash and cash equivalents	5.20	88.86
	iv. Bank balances other than (ii) above	1.45	15.00
	v. Loans	46.64	16.07
	vi. Other financial assets	1,633.80	31.82
(d)	Other current assets	44.73	49.14
	Total current assets	**2,717.17**	**4,344.32**
	Total assets	**2,796.24**	**4,362.31**

(II)	**EQUITY AND LIABILITIES**		
(A)	**Equity**		
(a)	Equity share capital	30.57	28.07
(b)	Other equity	1,339.51	457.49
(c)	Minority interest	19.53	-
	Total equity	**1,389.61**	**485.56**
(III)	**LIABILITIES**		
(A)	**Non-current liabilities**		
(a)	Financial liabilities		
	i. Borrowings	3.21	3.03
	ii. Lease liabilities	15.10	5.71
(b)	Deferred tax liabilities	0.60	0.06
(c)	Provisions	0.08	-
	Total non-current liabilities	**18.99**	**8.80**
(B)	**Current liabilities**		
(a)	Financial liabilities		
	i. Borrowings	1,036.34	54.56
	ii. Lease liabilities	3.59	1.04
	iii. Trade payables		
	- total outstanding dues of micro enterprises and small enterprises;	8.99	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	71.82	3,729.25
	iv. Other financial liabilities	15.82	1.57
(b)	Income tax liabilities	227.79	63.17
(c)	Other current liabilities	23.29	18.36
(d)	Provisions	0.00	-
	Total current liabilities	**1,387.64**	**3,867.95**
	Total liabilities	**1,406.63**	**3,876.75**
	Total equity and liabilities	**2,796.24**	**4,362.31**

SUUMAYA

Consolidated Statement of Cash Flows for the year ended March 31, 2022

Rs in crores

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	1,031.13	464.62
Adjustments :		
Depreciation and amortisation expense	5.71	1.11
Unwinding of discount on deposits	(0.27)	(0.01)
Interest income	(0.68)	(1.16)
Other income	-	(0.16)
Finance cost	8.19	9.46
Operating profit before working capital changes	**1,044.08**	**473.85**
Adjustments for change in working capital:		
Decrease/(Increase) in Inventories	365.35	(436.69)
Decrease /(Increase) in Trade receivables	2,793.04	(3627.59)
Decrease/ (Increase) in Loans	(30.06)	(15.69)
Decrease/ (Increase) in Other financial assets	(1,604.02)	(31.49)
Decrease/ (Increase) in Other current assets	4.41	(42.57)
Decrease/ (Increase) in Other non - current assets	(10.87)	0.24
(Decrease) / Increase in Trade payables	(3,648.44)	3696.54
(Decrease) / Increase in Other financial liabilities	14.25	(0.10)
(Decrease) / Increase in provisions	0.08	-
(Decrease) /Increase in Other current liabilities	4.92	18.36
Less: Taxes paid	(4.04)	(4.30)
Net cash inflow / (outflow) from operating activities	**(1,071.30)**	**30.56**
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments	(21.85)	(5.14)
Purchase of intangibles under development	(1.10)	(0.68)
Interest income	0.68	0.02
Investment in others	(5.41)	0.00
Redemption / Investment in bank deposits	13.55	(15.00)
Consideration for acquistion of subsidiary	(18.90)	-
Net cash inflow / (outflow) from investing activities	**(33.03)**	**(20.80)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share warrants	14.06	41.21
Proceeds from borrowings (current)	1,017.56	36.80
Principal repayment of lease liability	(0.40)	5.94
Finance cost	(8.19)	(9.46)
Payment of dividend	(2.36)	(0.38)
Net cash inflow / (outflow) from financing activities	**1,020.67**	**74.11**
Net Increase/(Decrease) in cash and cash equivalents	(83.66)	83.86
Add : Cash and cash equivalents at beginning of the year	88.86	5.00
Cash and cash equivalents at end of the year	**5.20**	**88.86**
Components of cash and cash equivalents		
Cash on hand	1.44	1.42
Balances with banks		
-in current account	3.76	87.44
Cash and cash equivalents closing	**5.20**	**88.86**

SUUMAYA

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 30 May 2022. The statutory auditors have carried out audit 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) In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of employees and ensure business continuity with minimal disruption. In view of the pandemic, the Group has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventories and other non current/current assets (net of provisions established) for any possible impact on the consolidated financial results. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment, the carrying amount of assets will be recovered and no material adjustments is required in the preparation of these consolidated financial results. In this regard, the Group will continue to closely monitor any material changes to future economic conditions.

4) During the year ended, the Group has entered into an assignment arrangement with a financial institution ("Assignee") for assignment of receivables and payables. Under the said arrangement, the Assignee does not have any recourse on the Company for the amount of receivables and payables assigned. The gross amount of receivables and payables assigned to the Assignee is INR 12,951.23 crores and INR 12,574.66 crores respectively. The receivable from and payable to the Assignee is classified under other financial assets and borrowings in the financial results.

While the Group has a good experience of having collected such balances from its customers, it enters into such arrangements since they improve working capital management for the Company and its customers.

5) The Company had declared a final dividend of Rs 2.75 per share on 28th September 2021. The Company has received waiver letters from 253 shareholders holding 2,54,33,279 shares in the Company waiving their right to final dividend entitlement from the Company.

6) The Company has realized 75% allotment monies amounting to Rs. 14.06 crores on behalf of the respective allottees on multiple dates against allotment of balance 2,499,655 equity shares made on 31 March 2022 on conversion of 2,499,655 warrants.
The allotees have availed financing/ loan facility from an NBFC for payment of consideration of equity shares as declared and received in cash by the Company on behalf of the respective allottee's from the NBFC. The shares have been allotted by the Company to the allotees, however, the approval for the same is under process at the Exchange.

7) As at 31st March 2022, the Company had reversed Goods and Services Tax input tax credit (ITC) by filing DRC 03. The Company has accounted for the above reversal of ITC as recoverable from parties to whom the GST amount was paid. The management is of the view that the same is fully recoverable and necessary legal actions are being taken in this regard and accordingly no provision has been created.

8) As at 31st March 2022, provision for tax is outstanding for the year ended 31 March 2021 for the Company.

9) During the current year ended, the Company has written off outdated and obsolete inventory amounting to Rs 279.33 crores. The Management has obtained independent expert report on the same as well.

10) The Company had availed few supply chain finance facilities/limits from various NBFCs during the financial year under review. These facilities were in the nature of either sales invoices discounting or anchor-based vendor finance programs or purchase invoice discounting. These facilities were on a "with recourse" basis, wherein, in case of any delay or overdue from the customer's side, the Company has to make good the amount due, along with interest thereon. At instances wherein there was a delay from the customer's side for making the payment against such invoices, the Company has repaid the respective lenders.

11) For the period under review, the growth in the scale of operations and profitability of the Company was on account of continuous supply contracts with some of their top customers, resultant to which, there has been comparatively less granularity on the B2B business vertical.

12) Due to the volatile nature of the agro produce and its related commodities, the Company has a business arrangement and understanding with its vendors and customers for mitigating the risk of such fluctuating commodities. Such arrangements are made in the normal course of business for having a stop-loss or a minimum level of profitability on the supplies being made. Such adjustments with vendors and customers are being accounted for in their regular running ledger balance with the Company and are adjusted by way of a credit note or a debit note, as the case may be. The Company has recorded debit notes of Rs 366 crores to debtors and received credit notes of Rs 370 crores from creditors for trades conducted during the year.

13) For the period under review, the Company did not have an effective interface between various functional software relating to revenue and inventory management with the accounting software resulting in accounting entries and inventory registers being made manually on for the year ended March 31, 2022.

14) The Company has an unspent balance of Rs. Rs 2.88 crores as on 31st March 2022 on CSR, which the Company has decided to spend on ongoing projects. The Management is in the process of opening the special bank account for such purpose and shall earmark the unspent funds in the stipulated manner then.

15) There was a complaint filed against the Company and all it's directors and KMP by Capalpha Trade Private Limited ('Capalpha') in October 2021 under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheque drawn on the Company. The Company had entered into an agreement on 19th April 2021 with the intent and spirit to provide indemnity and safeguard Capalpha's supplies to one of their customers, Dentsu Communication India Pvt Ltd., wherein the Company and it's group companies sold agriculture goods to Capalpha Trade Private Limited for further sale of such goods to Dentsu. The Company realized proceeds on such sale wherein it had further given a indemnity to Capalpha that in case of any default by Dentsu on non-payment of invoices for over 60 days to pay Capalpha, all the loss and damages shall be borne by SIL along with interest @1.5% per month. Hence on default by Dentsu to pay Capalpha within the stipulated time period, Capalpha has filed an arbitration petition against Denstu for the recovery of their dues from Dentsu and the matter is currently sub-judiced and hence it is not an ascertained liability on the company as an indemnifier until Capalpha loses this arbitration. The Management has evaluated legal positions and possible cash outflows of the said amount is noted as contingent liabilities (approximately INR 117 crores + interest @1.5% per month on reducing balance method) in the consolidated financial statements of the Company.

16) The Company's Chairman and Managing Director Mr. Ushik Gala was taken for questioning by Economic Offence Wing (EOW) on February 25, 2022, for questioning related to FIR filed by Capalpha Trade Pvt Ltd. Mr. Ushik Gala was further granted bail by the Additional Chief Metropolitan Magistrate on March 14, 2022. The Matter is sub-judice and hence the impact on the Company cannot be ascertained. Further, a quashing application to quash the FIR has been filed on behalf of Mr. Ushik Gala in the Hon'ble High Court of Judicature at Bombay.

17) The Company's bank account had a debit freeze by the Economic Offences Wing for the period from 25th February, 2022 to 11th April, 2022 for the complaint made by Capalpha Trade Pvt Ltd against Dentsu Communications India Pvt Ltd.

18) The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

The ratios are as follows:

Particulars	Year ended 31.03.2022 (Audited)
Debt Service Coverage Ratio	91.64
Interest Service Coverage Ratio	161.00
Debt Equity Ratio	0.75

For and on behalf of the Board
Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)

SUUMAYA INDUSTRIES LIMITED

Mr. Ushik Gala
Chairman and Managing Director
DIN: 06995765

Place: Mumbai
Date: 30th May, 2022

NAIK MEHTA & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Consolidated Annual Financial Results

Qualified Opinion

We have audited the accompanying statement of consolidated annual financial results of Suumaya Industries Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and for the year ended March 31, 2022, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial statements /financial results of the subsidiaries, the aforesaid consolidated annual financial results:

a. includes the annual financial results of the following entities:

- Suumaya Agro Limited
- Suumaya Protective Texcorp Limited
- Suumaya Trends Private Limited
- Suumaya Retail Limited
- Suumaya Trans Logistics Limited
- Suumaya Infotech Private Limited
- Suumaya Capital Limited
- Suumaya Foundation

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. except for the possible effects of the matters described in the basis for qualified opinion paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2022.

Basis for Qualified Opinion

1. Suumaya Industries Limited ("SIL" or "Company") at a consolidated level has assigned its Receivables of INR 12,951.23 crores and Payables of INR 12,574.66 Crores (Net receivables of INR 376.56 Crores) to a Non- Banking Finance Company ("NBFC" or "Assignee") during the Financial Year 2021-22 on a Non-Recourse Basis. However, the Net worth of the said NBFC as per the Audited Financial statement as on March 31, 2021 was INR 6.85 Crores. There has been no expected credit loss provision created as per IND AS 109 regarding such Assignment based on above stated figures. Accordingly, we are unable to comment on above assignment and the consequential impact on Consolidated Financial Statements.

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Consolidated Annual Financial Results

2. According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables and trade payables for validating sales and purchase transactions and outstanding balances during the year are subject to confirmation. Accordingly, we sent the confirmation to 26 external vendors and customers for confirming closing balances amounting to INR 224.05 crores and transactions (net sales and net purchase) amounting to INR 10,498.95 crores during the FY 21-22. However, we have not received sufficient and appropriate confirmation from 13 parties for confirming closing balances amounting to INR 24.73 crores and transactions amounting to INR 2434.67 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the year ended March 31, 2022.

3. According to the information and explanation given to us and based on the audit, the company is carrying significant balances in the financial statements as trade receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on March 31, 2022. Management represented that it has not created any expected credit loss provision in relation to recoverability of such debts after assessing the impact and status of such receivables. The Management needs to estimate the recoverability of the individual receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor and makes provisions against the same with reference to the recoverable amount.

4. Company's business model majorly was to make a purchase from a vendor on ex-warehouse terms and the same goods were sold to the customer on pick from warehouse terms wherein we were unable to obtain any other audit evidence except for bill of supply. Hence, we were unable to obtain sufficient and appropriate audit evidence to verify such ex-warehouse transactions and assess their consequential impact on the financial results as at end for the year ended March 31, 2022

5. The Company has carried out majority of its trades from third party warehouses on an ex-warehouse basis wherein the movement is conducted by the last party to the sale hence we were unable to conduct physical stock verification procedures or obtain any third-party warehouse confirmations for performing audit procedures around inventory

Emphasis Of Matter:

1. We draw your attention to Note 9 of the Consolidated Financial Statements, which states that the Company has Written off Inventory of INR 279.33 Crores in the Consolidated Financial Statements in the month of March 2022. The Management has represented that the same is on account of obsolete and expired stock items related to the Medical Textile Segment which have been scrapped in March 2022. The Company has obtained an independent expert confirmation to validate and substantiate the obsoleteness of such stock item and validate that the inventory is not marketable.

2. We draw your attention to Note 12 of the Consolidated Financial Statements wherein the Management represented that due to the volatile nature of the agro produce and its related commodities, the Company has a business arrangement and understanding with its vendors and customers for mitigating the risk of such fluctuating commodities. Such arrangements are made in the normal course of business for having a stop-loss or a minimum level of profitability on the supplies being made. Such adjustments with vendors and customers are being accounted for in their regular running ledger balance with the Company and are adjusted by way of a credit note or a debit note, as the case may have a material impact on the profitability in the last quarter for the FY 21-22. The Company has recorded debit notes of INR 366 crores (INR200 crores in Q4FY22) to debtors and received credit notes of INR 370 crores (INR 91.62 crores in Q4FY22)



from creditors for trades conducted during the year in the Standalone Financial Statements of the Company

3. We draw attention to note 5 of the Consolidated financial statements of Suumaya Industries Limited ("SIL") wherein SIL has declared a final dividend of INR 2.75 per share on 28th September 2021. The Company stated that it has received waiver letters from 253 shareholders holding 2,54,33,279 shares in the Company waiving their right to final dividend entitlement from the Company.

4. We draw your attention to Note 14 of the Consolidated Financial Statements as per the information and explanation were given by the management, the company has an unspent balance of INR 2.88 crores as on March 31, 2022 on CSR in the standalone financial statements of Suumaya Industries Limited, the company has decided the spent 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 30th April 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 INR 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.

5. We draw your attention to Note 10 of the Consolidated Financial Statements, The Company had availed few supply chain finance facilities/limits from various NBFCs during the financial year under review. These facilities were in the nature of either sales invoices discounting or anchor-based vendor finance programs or purchase invoice discounting. These facilities were on a "with recourse" basis, wherein, in case of any delay or overdue from the customer's side, the Company must make good the amount due, along with interest thereon. There have been multiple instances wherein there was a delay from the customer's side for making the payment against such invoices wherein the Company has repaid the respective lenders on the behalf of the Customer.

6. We draw your attention to Note 6 of the Consolidated Financial Statements wherein the Company has realized 75% allotment monies amounting to INR 14.06 crores on behalf of the respective allottees on multiple dates against the allotment of the balance of 2,499,655 equity shares made on March 31, 2022, on the conversion of 2,499,655 warrants. The allottees have availed financing/ loan facility from an NBFC for payment of consideration of equity shares as declared and received in cash by the Company on behalf of the respective allottee from the NBFC. The shares have been allotted by the Company to the allottees, however, the approval for the same is under process at the Exchange.

7. We draw your attention to Note 7 of the Consolidated Financial Statements, during FY 21-22, the company had reversed a Goods and Service Tax - Input Tax Credit for an amount of INR 27.88 Crores by filing DRC03. The Company accounts for the above reversal of ITC by showing it as recoverable from parties to whom the GST Amount was paid as credit. The recoverability of such an amount is a judgment call which the Management represented that the amount is recoverable from these vendors in due course and there is no expected provision necessary for the recoverability of such an amount from the vendors

8. We draw your attention to Note 8 of the Consolidated Financial Statements that the company has not yet paid Self-Assessment Income Tax dues in relation to FY 20-21 as of March 31, 2022



INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Consolidated Annual Financial Results

9. We draw your attention to Note 11 of the Consolidated Financial Statements wherein the Company faces concentration risk wherein over 90% of the sales and purchase transactions are made with respective Top 5 parties throughout the year in the Standalone Financial Statements of the Company. This gives rise to a major risk in case of default by any of the parties.

10. We draw your attention to Note 13 of the Consolidated Financial Statements which indicates that the company did not have an effective interface between various functional software relating to Sales/Revenue and Inventory Management with the accounting software resulting in accounting entries and inventory registers being made manually on for the year ended March 31, 2022, which might lead to risk of misstatement.

11. We draw your attention to Note 15 of the Consolidated Financial Statements Wherein there was a complaint filed against the Company and all its directors and KMP by Capalpha Trade Private Limited ('Capalpha') in October 2021 under section 138 of the Negotiable Instruments Act, 1881 for the dishonor of cheque drawn on the Company. The Company had entered into an agreement on 19th April 2021 with the intent and spirit to provide indemnity and safeguard Capalpha's supplies to one of their customers, Dentsu Communication India Pvt Ltd. wherein the Company and its group companies sold agriculture goods to Capalpha Trade Private Limited for further sale of such goods to Dentsu. The Company realized proceeds on such sale wherein it had further given an indemnity to Capalpha that in case of any default by Dentsu on non-payment of invoices for over 60 days to pay Capalpha, all the loss and damages shall be borne by SIL along with interest @2% per month (to be calculated). Hence on default by Dentsu to pay Capalpha within the stipulated time period, Capalpha has filed an arbitration petition against Denstu for the recovery of their dues from Dentsu and the matter is currently sub-judiced and hence it is not an ascertained liability on the company as an indemnifier until Capalpha loses this arbitration. The Management has evaluated legal positions and possible cash outflows of the said amount is noted as contingent liabilities (approximately INR 117 crores + interest @2% per month on reducing balance method) in the Consolidated Financial Statements of the Company.

12. We draw your attention to Note 16 of the Consolidated Financial Statements wherein The Company's Chairman and Managing Director Mr. Ushik Gala was taken for questioning by Economic Offence Wing (EOW) on February 25, 2022, for questioning related to FIR filed by Capalpha Trade Pvt Ltd. Mr. Ushik Gala was further granted bail by the Additional Chief Metropolitan Magistrate on March 14, 2022. The Matter is sub-judice and hence the impact on the Company cannot be ascertained. Further, a quashing application to quash the FIR has been filed on behalf of Mr. Ushik Gala in the Hon'ble High Court of Judicature at Bombay.

13. We draw your attention to Note 17 of the Consolidated Financial Statements according to the information and explanations given to us and based on our audit, the Company Bank account seize by the EOW for the period from 25th February, 2022 to 11th April, 2022 for the legal suit filed by Capalpha Trade Pvt Ltd.

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

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These statement have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these statement that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for

Report on the audit of the Consolidated Annual Financial Results

safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the state, the Management and the respective Board of Directors of the companies included in the Group 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 the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls 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 the Management and Board of Director

- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 consolidated annual financial results 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 going concern.

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represent the underlying transactions and events in a manner that achieves fair presentation.



INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SUUMAYA INDUSTRIES LIMITED

Report on the audit of the Consolidated Annual Financial Results

- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group 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 consolidated financial results of which we are the independent auditors for the other entities included in the consolidated annual financial results, 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. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

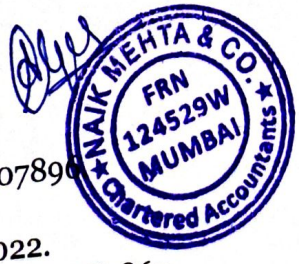
Other Matters

(a) The statement include the audited financial results of eight subsidiaries, whose financial statements / financial results reflect total assets (before Consolidated adjustments) of INR 1595.65 crores as at March 31, 2022, total revenue from operations (before Consolidated adjustments) of INR 7440.64 crores and total net profit before tax (before Consolidated adjustments) of INR 443.62 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors The independent auditors' reports on financial statements / financial results of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the board of directors

(b) The Statement include the results for the quarter ended March 31, 2022 being the balancing figure between the 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 which were subject to limited review by us.

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



CA Alpa Mehta
Partner
Membership No. 107896
Place : Mumbai
Date : May 30th, 2022.
UDIN : 22107896AJXSAT7867

Suumaya Industries Limited.

Consolidated:

Amount in Crores :

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	12,822.59	12,822.59
	2.	Total Expenditure	11,512.13	11,512.13
	3.	Net Profit/(Loss)	872.56	872.56
	4.	Earnings Per Share	310.87 269.77	310.87 269.77
	5.	Total Assets	2,796.24	2,796.24
	6.	Total Liabilities	1,406.63	1,406.63
	7.	Net Worth	1,389.61	1,389.61
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification**:

Suumaya Industries Limited ("SIL" or "Company") at a consolidated level has assigned its Receivables of INR 12,951.23 crores and Payables of INR 12,574.66 Crores (Net receivables of INR 376.56 Crores) to a Non- Banking Finance Company ("NBFC" or "Assignee") during the Financial Year 2021-22 on a Non-Recourse Basis. However, the Net worth of the said NBFC as per the Audited Financial statement as on March 31, 2021 was INR 6.85 Crores. There has been no expected credit loss provision created as per IND AS 109 regarding such Assignment based on above stated figures. Accordingly, we are unable to comment on above assignment and the consequential impact on Consolidated Financial Statements.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Unascertained
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification:**

According to the SA 505 "External Confirmation" and SA 501 "Audit Evidence" issued by the ICAI, balances with respect to trade receivables and trade payables for validating sales and purchase transactions and outstanding balances during the year are subject to confirmation. Accordingly, we sent the confirmation to 26 external vendors and customers for confirming closing balances amounting to INR 224.05 crores and transactions (net sales and net purchase) amounting to INR 10,498.95 crores during the FY 21-22. However, we have not received sufficient and appropriate confirmation from 13 parties for confirming closing balances amounting to INR 24.73 crores and transactions amounting to INR 2434.67 crores. Hence, we are unable to comment on the completeness and valuation of these balances in respect of the year ended March 31, 2022.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

According to the information and explanation given to us and based on the audit, the company is carrying significant balances in the financial statements as trade receivables including amounts outstanding from earlier accounting periods which are outstanding for a period over 180 days as on March 31, 2022. Management represented that it has not created any expected credit loss provision in relation to recoverability of such debts after assessing the impact and status of such receivables. The Management needs to estimate the recoverability of the individual receivables with reference to the ageing profile, historical payment pattern, and the past record of the customer/ vendor and makes provisions against the same with reference to the recoverable amount.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Unascertained
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

Company's business model majorly was to make a purchase from a vendor on ex-warehouse terms and the same goods were sold to the customer on pick from warehouse terms wherein we were unable to obtain any other audit evidence except for bill of supply. Hence, we were unable to obtain sufficient and appropriate audit evidence to verify such ex-warehouse transactions and assess their consequential impact on the financial results as at end for the year ended March 31, 2022

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor**:
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

Audit Qualification

a. **Details of Audit Qualification**:

The Company has carried out majority of its trades from third party warehouses on an ex-warehouse basis wherein the movement is conducted by the last party to the sale hence we were unable to conduct physical stock verification procedures or obtain any third-party warehouse confirmations for performing audit procedures around inventory.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of qualification:** Appeared first time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
(i) Management's estimation on the impact of audit qualification: Nil
(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
(iii) Auditor's Comments on (i) or (ii) above: Not applicable

III. Signatories:

For & Behalf of the Board

Ushik Gala
DIN: 06995765
Chairman & Managing Director

Dhwani Dattani

Chief Financial Officer

Sharad Jain

Audit Committee Chairman

Place: Mumbai
Date: May 30, 2022.

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

CA Alpa Mehta
Partner
Membership No. 107896
Place: Mumbai
Date: May 30, 2022.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015 read with SEBI Circular No. CIR / CFD / CMD / 4 / 2015 dated 9th September 2015.

Sr. No.	Particulars	Details
a.	Name of the target entity.	Suumaya Trends Private Limited ("STPL")
b.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes. nature of interest and details thereof and whether the same is done at "arms length".	The acquisition does not fall within related party transactions. STPL is the Subsidiary Company wherein the Company owns 64% shareholding as on date. The promoter/promoter group/ group companies have no interest in the Target Company.
c.	Industry to which the entity being acquired belongs	Fabrics and Wearing Apparels of all kinds.
d.	Objects and effects of acquisition (including but not limited to disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The Board proposes to increase the Company's stake in STPL from existing 64% to 100%, through purchase via transfer of remaining 36% stake from the existing shareholder of STPL thereby making STPL the Wholly-Owned Subsidiary of the Company w.e.f. the date of transfer.
e.	Brief details of any governmental or regulatory approvals required for the acquisition	None
f.	Indicative time period for completion of the acquisition	On or before June 30, 2022
g.	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration
h.	Cost of acquisition or the price at which the shares are acquired;	At the face value of Rs.10/- per Share
i.	Percentage of shareholding / control acquired and / or number of shares acquired;	Purchase from the existing shareholder – 1800 equity shares representing 36%.
j.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	The investee Company operates in Textile Industry.

Products / line of business of the target entity	As stated in (c) above
Date of incorporation	Incorporated as LLP on 30/07/2019 and converted into a Company w.e.f. 18/05/2021.
Country of incorporation	India
Last 3 years' Turnover	Rs. In Lakhs

2019-20	Nil
2020-21	514.75
2021-22	Nil

Net worth as on March 31, 2022	Rs.260,000/-

Registered Office:
5/F, D-Wing, Malad Industrial Estate, Kachpada, Ramchandra Lane Extn, Malad (West), Mumbai – 400064.

Corporate Office:
20th Floor, B-Wing, Lotus Corporate Park, Near Jay Coach, Off- Western Express Highway, Goregaon East, Mumbai – 400063.

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