

August 28, 2024

**The Manager**  
**The National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G, Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai – 400 051

**Trading Symbol: SUPREMEENG**

**Sub: Outcome of the Board meeting held on Wednesday, August 28, 2024**

- Ref: 1. Intimation letter dated May 22, 2024.**  
**2. Adjournment letter dated May 30, 2024.**  
**3. Adjournment letter dated June 15, 2024.**  
**4. Adjournment letter dated July 1, 2024.**  
**5. Adjournment letter dated July 10, 2024.**  
**6. Adjournment Letter dated July 30, 2024**  
**7. Adjournment Letter dated August 12, 2024**  
**8. Adjournment Letter dated August 16, 2024**  
**9. Adjournment Letter dated August 22, 2024**

Dear Sir / Madam,

This is to inform that the Board of Directors of the Company at its meeting to be held on Wednesday, August 28, 2024 Inter alia, considered pursuant to regulation 33 and regulation 30 read with schedule III of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we would like to inform you that meeting of the Board of Directors of Supreme Engineering Limited was held at 6.00 p.m. and concluded at 8.10 p.m. inter alia has:

- 1) Approved the Audited Financial Statement and Accounts for the quarter and year ended March 31, 2024. - Refer Annexure – I**

Further decision on a proposal for fund raising by way of issue of equity shares/ convertible warrants and/or any other instruments through preferential issue on a private placement basis, is adjourned and rescheduled on August 29, 2024.

Kindly take the above on your record

Thanking You

Yours truly,  
for **Supreme Engineering Limited,**



**Sanjay Chowdhri**  
Director  
DIN: 00095990

**SUPREME ENGINEERING LIMITED**  
**CIN: L99999MH1987PLC043205**  
**REGD. OFFICE: R-223, M.I.D.C. COMPLEX RABALE, THANE BELAPUR ROAD, NAVI MUMBAI 400701**  
**AUDITED FINANCIAL RESULT FOR THE YEAR ENDED 31ST MARCH 2023**

(Amount in INR lakhs except EPS)

Particulars	3 months ended	Preceding 3 months ended	corresponding 3 month ended in the previous year	Previous Year Ended	Year Ended
	31-03-2024	31-12-2023	31-03-2023	31-03-2023	31-03-2024
	Audited	Unaudited	Audited	Audited	Audited
<b>REVENUE</b>					
Revenue from Operations	398.43	563.21	418.63	1,839.87	2,510.15
Other Income	-107.52	3.09	-101.78	45.00	24.26
<b>Total Revenue (I)</b>	<b>290.91</b>	<b>566.31</b>	<b>316.85</b>	<b>1,884.87</b>	<b>2,534.40</b>
<b>EXPENSES</b>					
Cost of Material Consumed	596.96	456.79	359.70	1,591.44	2,325.41
Diminished Value of Inventory				8,883.70	
Changes in Stock of Finished Goods, Work-in-Progress	152.73	-35.60	266.94	347.07	273.60
Employee Benefit Expenses	37.12	42.94	49.16	169.54	173.17
Finance Costs	102.88	24.94	5.01	128.50	175.32
Depreciation Expenses	51.57	52.01	53.84	216.53	206.41
Other Expenses	3.04	95.20	697.23	1,406.04	204.81
<b>Total Expenses (II)</b>	<b>944.29</b>	<b>636.29</b>	<b>1,431.88</b>	<b>12,742.82</b>	<b>3,358.71</b>
<b>Profit/ (Loss) Before Exceptional Items and Tax (I-II)</b>	<b>-653.38</b>	<b>-69.98</b>	<b>-1,115.03</b>	<b>-10,857.95</b>	<b>-824.31</b>
Exceptional Items	3.33	-3.33	8,883.70	-	-
	-		-		
<b>Profit/ (Loss) Before Tax</b>	<b>-650.06</b>	<b>-73.31</b>	<b>-9,998.73</b>	<b>-10,857.95</b>	<b>-824.31</b>
<b>Tax Expenses</b>					
Current Tax				-	-
MAT Credit Entitlement/ Adjustment		-		-	-
Provision/ (Credit) for Deferred Tax	249.75	-3.16	-190.83	-341.00	279.73
		-			
<b>Profit/ (Loss) for the Period</b>	<b>-1,134.02</b>	<b>-70.15</b>	<b>-9,807.90</b>	<b>-10,516.95</b>	<b>-1,104.04</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
A. Other Comprehensive income not be reclassified to profit or loss in subsequent periods					
Remeasurment of Gain/ (Losses) on Defined Benefit Plans	2.42	0.13	0.52	34.26	3.56
Income Tax Effect	-1.04		-2.14	-9.90	-1.04
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>1.39</b>	<b>0.13</b>	<b>-1.62</b>	<b>24.36</b>	<b>2.52</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>-1,135.41</b>	<b>-70.02</b>	<b>-9,809.52</b>	<b>-10,492.59</b>	<b>-1,101.52</b>
<b>Paid Up Equity Share Capital (Face Value of Rs. 1 each)</b>	<b>2,499.50</b>	<b>2,499.50</b>	<b>2,499.50</b>	<b>2,499.50</b>	<b>2,499.50</b>
<b>Other Equity (Excluding Revaluation Reserve)</b>				-	-
<b>Earning Per Share (in Rs) for Profit Attributable to Equity Shareholders</b>					
Basic and Diluted EPS	-4.54	-0.28	-39.25	-42.08	-4.42

Notes

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 31<sup>st</sup> March 2024.
2. The financial results of Supreme Engineering Limited or the Company have been prepared as per Ind AS Financial Statement. There is no minority interest.
3. The figures for the quarter ended 31st March 2024 are the balancing figures between audited figures in respect of full financial year ended 31 March 2024 and the unaudited published year to date figures upto the third quarter ended 31st December 2023.
4. This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles, practices and policies generally accepted in India.
5. The figures for the previous periods/years have been regrouped/restated, wherever necessary, to correspond with the figures of the current period/year

for **Supreme Engineering Limited,**



**Sanjay Chowdhri**  
**Director**  
**DIN: 00095990**

**SUPREME ENGINEERING LIMITED****(CIN: L99999MH1987PLC043205)****BALANCE SHEET AS AT MARCH 31, 2024****Regd. Office: R-223, MIDC Complex, Thane-Belapur Road, Rabale, Navi Mumbai- 400701**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	1,533	1,728
(b) Investment Properties	26	531
(c) Financial Assets		
(i) Investments	1	1
(ii) Other Financial Assets	45	31
(d) Other Non-Current Assets	2	2
(e ) Deferred Tax Assets (Net)	237	518
	<b>1,844</b>	<b>2,811</b>
<b>Current assets</b>		
(a) Inventories	961	1,864
(b) Financial Assets		
(i) Trade Receivables	(9)	103
(ii) Cash and Cash Equivalents	217	236
(iii) Loans	-	313
(iv) Other Financial Assets	3	3
(c) Other Current Assets	303	286
	<b>1,475</b>	<b>2,806</b>
<b>TOTAL</b>	<b>3,319</b>	<b>5,617</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	2,500	2,500
(b) Other Equity	(10,207)	(9,122)
	<b>(7,708)</b>	<b>(6,622)</b>
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
(a) Financial Liabilities		
Borrowings	1,220	1,432
Lease liabilities	-	-
(b) Provisions	1	(2)
	<b>1,221</b>	<b>1,430</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	7,572	7,555
(ii) Trade Payables		
Micro, Small and Medium Enterprises	(574)	442
Others	178	213
(iii) Lease liabilities	53	152
(iv) Other Financial Liabilities	1,617	1,473
(b) Provisions	18	16
(c) Other Current Liabilities	624	640
(d) Current Tax Liabilities (Net)	318	318
	<b>9,806</b>	<b>10,810</b>
<b>TOTAL</b>	<b>3,319</b>	<b>5,617</b>

**SUPREME ENGINEERING LIMITED****(CIN: L99999MH1987PLC043205)****STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024****Regd. Office: R-223, MIDC Complex, Thane-Belapur Road, Rabale, Navi Mumbai- 400701****(Amount in INR Lakhs)**

<b>Particulars</b>	<b>For the Year Ended 31 March 2024</b>	<b>For the Year Ended 31 March 2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit/ (Loss) before income tax</b>	<b>(824)</b>	<b>(10,858)</b>
<b>Adjustments for:</b>		
Depreciation expense	206	217
Profit on sale of investments Properties	-	(13)
Interest income	(3)	(7)
Finance costs	175	129
Provision against Expected Credit Loss	(963)	1,184
Sundry Balance Investment Written off	505	-
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	1,074	827
(Increase)/Decrease in inventories	904	9,125
Increase/(decrease) in trade payables	(1,051)	(176)
(Increase)/ Decrease in loans	313	(240)
(Increase)/ Decrease in other current financial assets	(0)	(0)
(Increase)/ Decrease in other current assets	(17)	(2)
(Increase)/ Decrease in other non current financial assets	14	-
Increase/ (Decrease) in other financial liabilities	144	494
Increase/ (Decrease) in other liabilities	(16)	180
Increase/ (Decrease) in provisions	5	1
<b>Cash generated from operations</b>	<b>467</b>	<b>860</b>
Less : Income tax paid (net of refund)		-
<b>Net cash inflow from operating activities</b>	<b>467</b>	<b>860</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	11	(6)
Proceeds from sale of Investment Investment Properties	-	103
Interest received	3	7
<b>Net cash (Used in)/generated from investing activities</b>	<b>14</b>	<b>104</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	(212)	(710)
Net change in current borrowings	16	5
Interest and finance charges paid	(196)	(108)
Dividends paid including dividend distribution tax	-	-
Payment Towards Lease Obligation	(108)	(108)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(500)</b>	<b>(920)</b>
Net increase (decrease) in cash and cash equivalents	(18)	44
Cash and Cash Equivalents at the beginning of the financial year	236	191
<b>Cash and Cash Equivalents at end of the year</b>	<b>217</b>	<b>236</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks	193	205
Cash on hand	25	31
<b>Balances per statement of cash flows</b>	<b>217</b>	<b>236</b>



# S R Dhariwal and Company

*Chartered Accountants*

1003-1006, Arcadia, 195 NCPA Marg, Nariman Point, Mumbai – 400021.

Mobile: 9920411100. Email: info@srdhariwalco.in

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

### **SUPREME ENGINEERING LIMITED**

*(Formerly Known as Supreme Heatreaters Private Limited)*

### **Report on the Audit of the Ind AS Financial Statement Opinion**

We have audited the accompanying Ind AS Financial Statement of **Supreme Engineering Limited** (Formerly known as **Supreme Heatreaters Private Limited**) ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the Ind AS Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statement give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS & accounting principles generally accepted in India:

- a) In the case of the balance sheet, of the state of affairs of the Company as at March 31, 2024; and
- b) In the case of the statement of profit and loss, of the loss including other comprehensive income for the year ended on that date.
- c) In the case of the statement of cash flows, of the cash flows for the year ended on that date.
- d) In the case of the statement of changes in equity, of the changes in equity share capital and other equity for the year ended on that date.

## **Basis for opinion**

We have conducted our audit of the Ind AS Financial Statement in accordance with the Standards on Auditing (“SAs”) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Ind AS Financial Statement’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statement.

## **Emphasis of Matter**

We draw attention to the fact that;

- The Company is required to get cost audit conducted as per the requirement of section 148 of the Companies Act, 2013. However, the same has not been conducted from the financial year 2020-21 and onwards.
- The Company had Secured Loans account which has turned NPA on 19<sup>th</sup> August 2021 and has stopped servicing the borrowing repayment and interest from that day. The Company has incurred a net loss of Rs. 1101.51 Lakhs during the year ended March 31, 2024 and, as of that date; the company’s current liabilities exceeded its total assets making its Net worth being reduced by Rs. 1085.32 Lakhs. The Company’s current liabilities borrowings have become NPA and Net worth is further reduced to Rs. -8743.49 Lakhs from Rs. - 7993 Lakhs which has resulted further erosion of the net worth of the company. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the restructuring in process of the loans and the wide asset base the company carries.

The Management is responsible for assessing the Company’s ability to continue as a going concern, including whether the use of the going concern basis of accounting is appropriate. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Management is also responsible for disclosing a material uncertainty of which management becomes aware related to



events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's net worth is negative and it continues to incur losses. We were informed that the Company is in the process of raising funds through equity allotment and also by selling non core assets of the company which in the opinion of the management will enable the Company to have positive networth and support to have a turnaround.

The Company is also in the process of identifying strategic business partners and alternative business plans to improve the performance of the Company. The Company's ability to generate positive cash flows depends on the successful implementation of such alternative business plans. The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

- The company has not provided accrued interest, charges, penalty or any other charges from the date of being classified as Non-Performing Assets and the impact of the same on the financial result and statement remain unaccounted for.
- The Company is required to file Audit report under the Income tax Act 1961 and file corresponding Return under the act; however, the same has not been done for AY 20-21 and AY 21-22.
- The Company has not paid the statutory tax dues like TDS ( paid for FY 22-23), PF, Professional Tax and Income tax etc. that has become overdue and remain unpaid. Interest, Penalty in respect of the same has remained unascertained and unaccounted.
- The Company has Trade Receivables including Advances, Trade Payables including Advances to Suppliers and Others, Recoverable Advances in Cash or Kind, Borrowings, Cash Credit account in bank etc. includes balances which remain outstanding for a substantial period. The reported Financials may have consequential / subsequent impact which remains unascertained.
- The company has incurred losses in the processing of its stock which was found to be irrecoverable which has led to the stock value being diminished. The valuation of Stock is done at Net Realizable Value. This has led to the value of stock losses to the tune of Rs. 5.58 crores.
- The demand notice issued by the income tax department for Rs. 908.61 lakh for AY 2018-

2019 has been appealed by the company before the CIT(A). At present the matter is pending with the CIT(A) and final order / proceeding is pending.

- The demand notice is issued by the GST department for interest payable amount to Rs.5.52 lakhs of financial year 2017-18 on 31/05/2022. The company has filed an appeal against this order.
- The demand notice is issued by the GST department for Rs. 571.17 lakhs for FY 2018-2019 on 03/11/2022. The company has received the rectification order and has filed a writ petition before the Bombay High Court on 11/10/2023.

Our opinion is not modified in respect of above matters.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report, but does not include the Ind AS Financial Statement and our Auditor's report thereon.

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

In connection with our audit of the Ind AS Financial Statement, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS Financial Statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Ind AS Financial Statement**

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

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statement, the management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the audit of the Ind AS Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial 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 Ind AS Financial Statement.

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 on whether the Company has adequate internal

financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statement, including the disclosures, and whether the Ind AS Financial 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have reasonably sought and obtained the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flows and Statement of Changes in Equity dealt with in this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Since the Company has become NPA, IND AS23 on Borrowing Cost is not applied.
  - e) On the basis of written representations received from the directors as on 31 March 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024, from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
  - g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March 2024 has been provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Act;
  - h) With respect to the other matters to be included in Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:



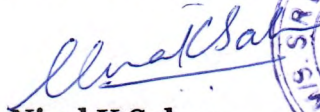
- i) The Company does not have any pending litigations which would impact its financial position;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv)a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
c)Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11, as provided under (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.
- vi)Based on the audit tests and procedures performed, in respect of financial year ended 31<sup>st</sup> March 2024, The Company used Tally Prime (Gold), an accounting software for maintaining books of accounts. The Audit trail feature has not been enabled at the

database level for the said accounting software to keep a log of any direct data changes and it did not operate throughout the year.

**For S R Dhariwal and Co**

Chartered Accountants

FRN: 102466W



**Niraj K Saboo**

Partner

M. No. 158054

UDIN: 24158054BKEMZL2145

Date: 28/08/2024

Place: Mumbai

## **Annexure A to the Independent Auditors' Report**

**Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of the company for the year ended 31<sup>st</sup> March 2024**

**On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:**

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management during the year; no material discrepancies were noticed on such verification.
- (c) Based on our audit procedures and the information and explanation received by us, the title deeds of property are held in the name of Company.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and on the basis of our examination of the records, no material discrepancy was noticed on physical verification (quantity) of stocks by the management as compared to book records.
- (c) In our opinion and on the basis of our examination of the records, no material discrepancy was noticed in the physical quantity verification of stocks, whereas the stock value has diminished by more than 10%. Hence the same has been booked at Net Realizable Value.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans to its associate concern covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us and based on our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied as and where applicable.



v. In our opinion, the Company has not accepted any deposits within the meaning of Rule 2 (b) of Companies (Acceptances of Deposits) Rules, 2014. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanations provided by the management, cost records have been prescribed under section 148(1) of the Companies Act, 2013 in respect of products of the Company. Those records have been properly maintained by the company. However, cost audit has not been conducted from FY 2020-21 onwards.

vii. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have not been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are following outstanding statutory dues as on 31<sup>st</sup> of March, 2024 for a period of more than six months from the date they became payable.

<b>Particulars</b>	<b>Amount (in Rs.)</b>
Provident Fund	48,94,851.00
ESIC	1,21,054.00
Profession Tax	2,81,175.00
Income Tax	3,17,84,285.00
Dividend Distribution Tax	25,44,192.00
TDS & TCS	1,27,53,553.00
<b>Total</b>	<b>5,23,79,110.00</b>

(b) According to the information and explanations given to us, there are the following amounts payable in respect of income tax, service tax, goods and services tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

The Indirect Tax Disputes pending with the GST department are as under: -

<b>Sr. No.</b>	<b>Financial Year</b>		<b>Amount</b>	<b>Part Payment made</b>	<b>Forum (where its disputed)</b>
1	2008-09	MVAT	0	0	<b>Commissioner Appeals</b>
		CST	16,43,510	3,49,095	
2	2009-10	MVAT	17,96,072	0	<b>Commissioner Appeals</b>
		CST	81,29,812	0	
3	2013-14*	MVAT	65,29,979	3,31,980	<b>Appeal dismissed. Need to file appeal in Tribunal</b>
		CST	54,69,920	4,29,462	
4	2014-15	MVAT	97,28,909	4,63,044	<b>Appeal dismissed. Need to file appeal in Tribunal</b>
		CST	77,67,098	11,99,801	
5	2016-17**	MVAT	49,86,142	0	<b>Appeal need to be filed</b>
		CST	1,37,339	0	
6	2018-2019	GST - Khopoli	5,71,17,794	0	<b>Rectification of the order filed with the department</b>
7	2017-18	GST - Khopoli	5,52,000	0	<b>Commissioner Appeals</b>
8	2021-22	GST - Khopoli	15,69,128	0	<b>Appeal dismissed, Annexure I filed for appeal in Tribunal</b>
			<b>10,54,27,703</b>	<b>39,12,906</b>	

\* The appeal is dismissed for FY 2013-2014 by the Department and is yet not appealed with the Tribunal.

\*\*The Rectification Order for FY 2016-2017 is not yet appeal against.

The Direct tax demands pending at the Income Department are as under: -

Sr No.	Assessment Year	Demand section	Amount in Rs.
1	2006-2007	143(1)	1,50,376/-
2	2007-2008	143(1)	94,134/-
3	2008-2009	143(1)	27,627/-
4	2009-2010	143(1)a	3,160/-
		115WE	1,79,446/-
5	2005-2006	143(1)	34,149/-
6	2016-2017	143(1)a	3,19,480/-
7	2017-2018	143(1)a	19,34,840/-
8	2018-2019	143(3)	9,08,61,960/-
		Total	<b>93605172/-</b>

viii. According to the information and explanation given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax act, 1961, as income during the year. Accordingly, reporting under clause 3(viii) of the Order is not applicable.

ix. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that there has been default in repayment of dues to any financial institution, bank or debenture holders. The Company has been declared Non Performing Asset.

x. Based on records of the company, the company has not raised funds by way of initial public offer or further public offer including debt instruments during the year. Further the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. However, the company had issued shares during the year 2018.



The details of unutilized IPO proceeds as on 31/03/2024 are as follows:

<b>Particulars</b>	<b>Proposed Utilization</b>	<b>Actual Utilization</b>	<b>Unutilized Amount</b>
Part finance the working capital requirements	70,000,000.00	70,000,000.00	-
Part repayment of High-cost debt	46,711,977.00	46,711,977.00	-
Capital Expenditure	9,507,197.00	4,318,177.00	5,189,020.00
General Corporate Purpose	30,000,000.00	30,000,000.00	-
IPO Expenses	21,333,125.00	21,333,125.00	-
<b>Total</b>	<b>177,552,299.00</b>	<b>172,363,279.00</b>	<b>5,189,020.00</b>

xi. Based on the audit procedures performed and the information and explanations given to us, we report that no-fraud on or by the Company has been noticed or reported during the year.

xii. The Company is not a Nidhi company. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

xiii. Based on our audit procedures and on the information given by the management, the company has complied with the sections 177 and 188 of the Companies Act, 2013 for all the transactions with the related parties and the details of such transactions have been properly disclosed in the Ind AS Financial Statement as required by the applicable accounting standards.

xiv. The company have an internal audit system in accordance with its size and business activities.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

xvii. The company incurred any cash losses in the current and previous financial year covered by our audit.

Sr.No.	Financial Year	Amount (in Lakh/Rs.)
1	2023-2024	-897.63
2	2022-2023	-10300.67
3	2021-2022	-673.02

xviii. During the year, there has not been any resignation of statutory auditors. Accordingly reporting under clause 3(xviii) of the order is not applicable.

xix. There is material uncertainty as on the date of the audit report with regards to the ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. The company cannot meet it's the liabilities which exist as at the balance sheet date when such liabilities are due in the future.

xx. The company has no obligations under Corporate Social Responsibility.

**For S R Dhariwal and Co**

Chartered Accountants

FRN: 102466W

*Niral K Saboo*

**Niral K Saboo**

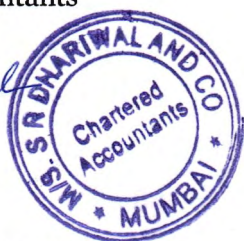
Partner

M. No. 158054

UDIN: 24158054BKEMZL2145

Date: 28/08/2024

Place: Mumbai



## **Annexure - B to the Independent Auditors' Report**

**Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the accounts of the company for the year ended 31<sup>st</sup> March 2024**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Supreme Engineering Limited (Formerly known as Supreme Heatreaters Private Limited)** (“the Company”) as of March 31, 2024, in conjunction with our audit of the Ind AS Financial Statement of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statement.



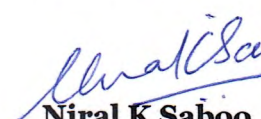
## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. The Company has used Tally Prime, an accounting software for maintaining its books of account, however it did not enable the feature of recording audit trail (edit log) at the database level for the said accounting software to keep a log of any direct data changes. Further the Company does not have formal written standard operating manuals or predefined standard operation procedure to maintain the efficacy and effectiveness of the internal financial controls.

**For S R Dhariwal and Co**  
Chartered Accountants  
FRN: 102466W

  
**Niraj K Saboo**  
Partner

M. No. 158054  
UDIN: 24158054BKEMZL2145  
Date: 28/08/2024  
Place: Mumbai





August 28, 2024

**The Manager**  
**The National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G, Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai – 400 051

**Trading Symbol: SUPREMEENG**

Dear Sir/Madam,

**Sub: Declaration pursuant to Regulations 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We hereby declare that the S R Dhariwal and Company, Statutory Auditors of the Company, have issued Audit Report with unmodified opinion on the Annual Audited Standalone Financial Results of the Company for the financial year ended March 31, 2024.

Kindly take the above on your record and acknowledge the receipt.

Thanking You,

Yours truly,

for **Supreme Engineering Limited,**



**Sanjay Chowdhri**  
**Director**  
**DIN: 00095990**