

SUMAX

Sumax Engineering (P) Ltd

45 Shantiniketan Colony, Mahendra Hills
East Marredpally, Secunderabad - 500 026. INDIA
Support No.: +91 81066 44400
E-mail : info@sumaxindia.com
Website : www.sumaxindia.com
CIN : U74210TG1994PTC019032
GST : 36AAECS5500N1Z7

NOTICE TO THE MEMBERS

Notice is hereby given that the 27th Annual General Meeting of the members of **SUMAX ENGINEERING PRIVATE LIMITED (CIN: U74210TG1994PTC019032)** will be held on Monday the 29th day of November 2021 at 11.00 A.M at the registered office situated at Plot No. 45, Shantiniketan Colony, Mahendra Hills, East Marredpally, Secunderabad, Telangana - 500026 India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2021 including Audited Balance Sheet as at 31st March 2021 and statement of Profit and Loss account for the period ended on 31st March 2021 and Cash Flow Statement (if Any) on that date along with the reports of Board of Directors and Auditors thereon.

BY ORDER OF THE BOARD

Sudeep Mehta

SUDEEP MEHTA
MANAGING DIRECTOR
DIN: 00483072



Place: Secunderabad
Date: 10-09-2021.

NOTES:

1. A Member is entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and proxy need not to be a member of the Company. However, proxies in order to be effective should be duly stamped, completed, signed and deposited at the office of the Company at least 48 hours before the commencement of the meeting.
2. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting as per the requirement of Secretarial Standards-1 (SS-1) as issued by the Institute of Company Secretaries of India (ICSI).
3. Members/proxies attending the meeting are requested to bring their duly filled admission/attendance slips sent along with the notice of annual general meeting at the meeting.
4. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

DIRECTORS REPORT

To

The Members,
SUMAX ENGINEERING PRIVATE LIMITED
(CIN: U74210TG1994PTC019032)

Your directors have pleasure in presenting this 27th Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March 2021.

1. Financial Summary:

PARTICULARS	(In Rs)	
	YEAR ENDED	YEAR ENDED
	31-03-2021	31-03-2020
Revenue from operations for the year	76,10,05,299	75,60,81,488
Other Income	10,83,342	72,28,541
Total Income	76,20,88,641	76,33,10,029
Less: Total Expenses	72,93,27,700	73,59,53,758
Profit before Taxation	3,27,60,941	2,73,56,271
Less: Tax Expenses		
Current Tax	94,22,101	82,60,476
Earlier Years Taxes	-5,009	58,112
Deferred Taxes	60,877	-3,57,786
Profit after Taxation	2,32,82,972	1,93,95,469

2. Financial Performance:

During the year under review, your Company has reported a total turnover of Rs. 76,10,05,299/- as against total turnover of Rs. 75,60,81,488/- achieved in the previous year and reported a Net Profit of Rs. 2,32,82,972/- after taxes as compared to Net Profit of Rs. 1,93,95,469/- after taxes achieved in the previous year.

3. Transfer to reserves:

The company has not transferred any amount to Reserve account.

4. Dividend:

No Dividend has been declared / recommended for the financial year 2020-21

5. Material Changes between the date of the Board report and end of financial year:

There are no Material Changes between the date of the Board report and end of financial year.

6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. Holding Company:

The Company does not have any Holding/Subsidiaries and Joint Ventures.

8. Change in the nature of business:

There is no change in the nature of the business of the company.

9. Details of Directors or key managerial personnel:

S. No	Name of the Director	DIN	Designation	Remuneration	Date of Appointment
1	Vimla Mehta	00482904	Whole time Director	7,80,000	29/04/2000
2	Sudeep Mehta	00483072	Managing Director	1,58,09,000	21/12/1994
*3	Keiji Nakajima	02498219	Director	NIL	25/01/2016

* Keiji Nakajima was resigned from the Board on 23rd August 2021.

10. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2021. There were no unclaimed or unpaid deposits as on March 31, 2021.

Further, the details of unsecured loans borrowed from the Directors and / or their relatives during the FY ended 31st March 2021 and / or outstanding as on the said date are as hereunder:

Sl. No.	Name	Borrowings / (repayment) during the year	Amt. outstanding as on 31st March 2021 in Rs.
1.	Vimla Mehta	20,83,124	50,18,224/-
2.	Summer Chand Mehta	67,56,940/-	1,65,97,552/-
3.	Sumer Chand Mehta (HUF)	(1,20,91,030/-)	NIL
4.	Pushpa Lodha	9,23,112/-	9,23,112/-

The Directors and / or their relatives have provided the declarations in writing stating that the amounts lent by them are from their own funds and not been given out of funds acquired by them by borrowing or by accepting loans or deposits from others.

11. Secretarial standards:

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

13. Corporate Social Responsibility:

The Provisions of Corporate Social Responsibility are not applicable to the Company under the provisions of the Companies Act, 2013.

14. Number of meetings of the Board:

During the year under review, the Board of Directors duly met **6 (Six)** Times.

15. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis.
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. Particulars of loans, guarantees or investments under section 186:

There are no transactions made by the company which are falling under the purview of section 186 of Companies Act, 2013.

17. Particulars of Employees:

The Information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended has been provided hereunder:

Sl. No.	Particulars	Information
1	Name	Sudeep Mehta
2	Designation	Managing Director
3	Remuneration received Annually	Rs. 1,58,09,000/-
4	Nature of Employment	Full Time
5	Qualification	M.B.A.
6	Date of Commencement of Employment	21/12/1994
7	Age of Employee in Years	51
8	Last Employment	N.A.
9	Percentage of Equity Shares held by Employee	92.85%
10	Whether any such employee is relative of any Director or Manager of the Company	Vimla Mehta, Mother

18. Particulars of contracts or arrangement with related parties:

All related party transactions that were entered during the financial year ended on 31st March 2021 were on an arm's length basis and were in the ordinary course of business. Form AOC-2 is enclosed as "Annexure B".

19. Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment.

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20. Adequacy of Internal Financial Controls with Reference to Financial Statements:

The Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

During the year under review, no material or serious observations has been observed effecting the efficiency or adequacy of such controls.

21. Statutory Auditor & Audit Report

M/s. Dagliya & Co, Chartered Accountants, Secunderabad (Firm Registration No.671S), were appointed as Statutory Auditors of the Company in the 24th Annual General Meeting held on 29th September 2018 for a term of five consecutive years to hold office till the 29th Annual General Meeting as per section 139 of the Companies Act 2013 and applicable Rules.

There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

22. Development and Implementation of Risk Management Policy of the Company:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been reviewed by the Board from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

23. Annual Return:

The Provisions of Section 134 (3) (a) of the Companies Act 2013 prescribes the Company to mention the Web Address Link, if any, where the Annual Return referred to in sub section (3) of section 92 of the Companies Act has been placed. Since the Company does not have a website the provisions of section 134 (3) (a) are not applicable to the Company.

24. Share Capital:

A) Issue of equity shares with differential rights

The Company has not issued any Equity Shares with differential rights as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014 during the period ending 31/03/2021.

B) Issue of sweat equity shares

The Company has not issued any Equity Shares with differential rights as provided in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014 during the period ending 31/03/2021.

C) Issue of employee stock options

The Company has not issued any shares under ESOP Scheme during the period ending 31/03/2021.

D) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company was not required to keep separate provisions for purchase of its own shares.

E) Other Allotments: Nil

25. Disclosures in respect of voting rights not directly exercised by employees

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

26. Disclosure relating to equity shares with differential rights

The Company has not issued any equity shares with differential rights and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

27. Details in respect of frauds reported by Auditors under Section 143 (12) other than those which are reportable to the Central Government: -

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

28. Acknowledgments:

Your directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Telangana, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

For and on behalf of the Board of Directors

Vimla mehta

VIMLA MEHTA
WHOLETIME DIRECTOR
DIN: 00482904

Sudeep mehta

SUDEEP MEHTA
MANAGING DIRECTOR
DIN: 00483072

Place: Secunderabad,
Date: 10-09-2021.



ANNEXURE – A

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy: NIL
(ii) the steps taken by the company for utilizing alternate sources of energy: NIL
(iii) the capital investment on energy conservation equipment: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : NIL
(iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

Particulars	2020-21	2019-20
Foreign exchange earnings	NIL	NIL
Value of Outgo (Purchases):	36,92,34,118-45	33,96,16,129-57
Value of Imports (CIF) Value- Raw material & Stores	36,92,34,118-45	33,96,16,129-57
Capital Goods	NIL	NIL
Foreign Travel	NIL	NIL

For and on behalf of the Board of Directors

Vimla Mehta

VIMLA MEHTA
WHOLETIME DIRECTOR
DIN: 00482904

Sudeep Mehta

SUDEEP MEHTA
MANAGING DIRECTOR
DIN: 00483072

Place: Secunderabad,
Date: 10-09-2021.



ANNEXURE – B
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NOT APPLICABLE

- a. Name(s) of the related party and nature of relationship:
- b. Nature of contracts/arrangements/transactions:
- c. Duration of the contracts / arrangements/transactions:
- d. Salient terms of the contracts or arrangements or transactions including the value, if any:
- e. Justification for entering into such contracts or arrangements or transactions
- f. Date(s) of approval by the Board:
- g. Amount paid as advances, if any:
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	(a) Name(s) of the related party and nature of relationship:	(b) Nature of contract s/arrangements/transactions:	(c) Duration of the contracts / arrangements/transactions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid/ as advances, if any: (Rs)	(g) Balance outstanding- (Rs)
1	Autokrom India Private Limited Directors are	Sales	1 Year	As Per Board Resolutions	18-05-2020	61,59,108	NA

	director in Company						
2	Autokrom India Private Limited	Purchases	1 Year	As Per Board Resolutions	18-05-2020	1,21,60,207	NA
	Directors is director in Company						

For and on behalf of the Board of Directors

Vimla mehta
VIMLA MEHTA
WHOLETIME DIRECTOR
DIN: 00482904

Sudeep mehta
SUDEEP MEHTA
MANAGING DIRECTOR
DIN: 00483072

Place: Secunderabad,
Date: 10-09-2021.





INDEPENDENT AUDITOR'S REPORT

The Members of,
M/S SUMAX ENGINEERING PRIVATE LIMITED
Secunderabad.

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Sumax Engineering Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Entity'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 financial statements 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

Report on other legal and regulatory requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, based on such checks as we considered appropriate and according to the information and explanations given to us, we state that:
 1.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a programme of physical verification of its fixed assets by which fixed assets are verified. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this programme of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. On the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company
 2.
 - a. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the nature of business and volume of operations and the same have been properly dealt with in the books of account.
 3. Based on the audit procedures performed and on the basis of the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, the paragraph 3(iii) is not applicable to the Company.



4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sec 185 and sec 186 of the Act, with respect to the loans and investments made guarantees and security if any given.
5. As per the information and explanation given to us the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act.
6. As informed to us, the Central Government has not prescribed the maintenance of cost records u/s 148(1) of the Companies Act 2013, for any of the products of the company.
7.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, cess, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees states insurance, income tax, duty of customs, cess, Goods and Service Tax and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.
 - c. According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, Goods and Service Tax which have been deposited on account of any dispute, except under mentioned dues

S.no	Name of the Statute	Nature of Dues	Period to which the dispute related	Forum where dispute is pending	Amount (Rs.)
1.	Central Sales Tax	Central Sales tax	2011-12	Commisioner of Sales tax, Rudrapur	11,31,469
2	UK VAT	UK VAT	2014-15	The Joint Commissioner (Appeal) Commercial Tax, Rudrapur.	16,35,115

8. As per the information and explanation given to us the company has not defaulted in repayment of loans or borrowings to any financial institution or bank. The company has not issued any debentures.





9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Term loan taken from a financial institution has been applied for the purpose for which the same has been obtained.
 10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
 11. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of the Schedule V to the Act are not applicable to the Company. Thus, paragraph 3(xi) of the order is not applicable to the Company.
 12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
 13. According to the information and explanations given to us, all the transaction with the related parties are in compliance with Section 177 and 188 of the companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc as required by the applicable accounting standards.
 14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
 15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
 16. The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.
- II. As required by Section 143(3) of the Act, we report that
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) 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 A".
- g. With respect to the other matters to be included in the Auditor's 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 the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the Company for the year

Place : Secunderabad

Date: 10/09/2021

For Dagliya & Co.,
Chartered Accountants,
(ICAI Firm Reg 671 S)




(Mayank jain)
Partner
M.No.225914

UDIN: 21225914AAA AUF5886

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 Sumax Engineering Private Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India. 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 Act.

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 ('Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be 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 were 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 financial statements, 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 financial statements 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 financial statements 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 financial statements.

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 and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

Place : Secunderabad

Date:10/09/2021



For Dagliya & Co.,
Chartered Accountants,
(ICAI Firm Reg 671 S)

Mayank Jain

(Mayank Jain)

Partner

M.No.225914

UDIN: 21225914AAAAUF5886

SUMAX ENGINEERING PRIVATE LIMITED
BALANCE SHEET AS AT 31-03-2021

(IN RUPEES)

S. N	Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
I	<u>Equity and Liabilities</u>			
1	<u>Shareholders' Funds</u>			
	(a) Share capital	2.01	2,10,45,000	2,10,45,000
	(b) Reserves and surplus	2.02	22,15,54,726	19,82,71,754
			24,25,99,726	21,93,16,754
	<u>Non-current Liabilities</u>			
	Long Term Borrowings	2.03	-	-
	Other long term liabilities	2.04	40,22,546	53,63,338
			40,22,546	53,63,338
4	<u>Current Liabilities</u>			
	(a) Short term borrowings	2.05	6,61,62,131	5,48,66,742
	(b) Trade payables	2.06	6,96,48,963	5,75,52,529
	(c) Other current liabilities	2.07	1,36,15,246	1,46,69,044
			14,94,26,340	12,70,88,315
	GRAND TOTAL		39,60,48,612	35,17,68,407
II	<u>ASSETS</u>			
1	<u>Non-current Assets</u>			
	(a) Fixed assets	2.08		
	Tangible		5,79,64,730	6,06,98,808
	Intangible		5,45,873	9,66,230
	(b) Investments	2.09	54,500	3,21,59,500
	(c) Long-term loans and advances	2.10	63,13,383	60,14,733
	(d) Deferred tax assets (net)	2.11	34,28,114	34,88,991
			6,83,06,600	10,33,28,262
2	<u>Current Assets</u>			
	(a) Inventories	2.12	14,90,02,610	12,25,50,576
	(b) Trade receivables	2.13	12,41,23,947	8,58,41,578
	(c) Cash and cash equivalents	2.14	2,45,25,434	1,42,31,169
	(d) Short-term loans and advances	2.15	3,00,90,020	2,58,16,822
			32,77,42,012	24,84,40,144
	GRAND TOTAL		39,60,48,612	35,17,68,407

Significant accounting policies & Notes to accounts

1 & 2

As per our report attached

For Dagliya & Co.

Chartered Accountants

Firm's registration no. 006715



Mayank Jain
(Mayank Jain)

Partner

Membership No. 225914

Place: Secunderabad

Date: 10.09.2021

VDIN: 21225914 AAAA UF5886

For and on behalf of the Board of Directors

For Sumax Engineering (P) Ltd. For Sumax Engineering (P) Ltd.

Sudeep Mehta

(Sudeep Mehta)
Director

Din 00483072

Vimla Mehta

(Vimla Mehta)
Director

Din 00482904

SUMAX ENGINEERING PRIVATE LIMITED
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31-03-2021

(IN RUPEES)

S. N	Particulars	Note No.	For the year ended 31-03-2021	For the year ended 31-03-2020
	Revenue from operations			
I	Revenue from operations	2.16	76,10,05,299	75,60,81,488
II	Other income	2.17	10,83,342	72,28,542
III	Total Revenue(i+ii)		76,20,88,641	76,33,10,029
IV	Expenses:			
a	Cost of material consumed & sold	2.18	42,71,45,770	24,57,36,832
b	Purchase of stock-in-trade	2.19	18,41,10,044	30,51,58,492
c	Changes in inventories of finished goods	2.20	(1,32,55,964)	2,06,41,801
d	Other manufacturing expenses	2.21	58,45,044	62,52,492
e	Employee benefits expenses	2.22	6,85,09,149	8,71,36,509
f	Finance costs	2.23	49,54,910	61,31,900
g	Depreciation	2.08	90,71,261	1,05,63,162
h	Other Expenses	2.24	4,29,47,485	5,43,32,570
	Total Expenses		72,93,27,700	73,59,53,758
V	Profit Before Tax (v-vi)		3,27,60,941	2,73,56,271
VI	Tax Expense			
a	Current Tax		94,22,101	82,60,476
b	Earlier years taxes		(5,009)	58,112
c	Deferred Tax		60,877	(3,57,786)
VII	Profit (loss) For The Period (xi+xiv)		2,32,82,972	1,93,95,469
VIII	Earnings Per Equity Share (Basic & Diluted)		110.63	92.16
	Wt Average No.of Equity shares of Rs. 100 each considered for calculation of earnings per share		2,10,450	2,10,450

Significant accounting policies & Notes to accounts

I & 2

As per our report attached
 For Dagliya & Co.
 Chartered Accountants
 Firm's registration no. 00671S

Mayank

(Mayank Jain)

Partner

Membership No. 225914



Place: Secunderabad

Date: 10.09.2021

UDIN: 21225914AAAAUF5886

For and on behalf of the Board of Directors

For Sumax Engineering (P) Ltd.

For Sumax Engineering (P) Ltd.

Sudeep mehta

Authorised Signatory

(Sudeep Mehta)

Director

Din 00483072

Vimla Mehta

Authorised Signatory

(Vimla Mehta)

Director

Din 00482904

SUMAX ENGINEERING PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

In Rs.

Sr.	Particulars	AMOUNT 31.03.2021		AMOUNT 31.03.2020	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
1	Net Profit/(Loss) before Tax and Extraordinary Items		3,27,60,941		2,73,56,271
2	Adjustments for:				
	- Depreciation	90,71,261		1,05,63,162	
	- Interest	49,54,910		61,31,900	
	- Loss/(profit) on sale of FA	4,51,949		(1,47,370)	
	- Gratuity Provision	(10,00,403)		4,74,665	
	- Gratuity paid	(3,50,336)	1,31,27,382	(4,17,179)	1,66,05,178
	Operating Profit before Working Capital Changes		4,58,88,323		4,39,61,449
3	Adjustments For				
	- (Increase) / Decrease in Trade Receivable	(3,82,82,370)		2,01,76,350	
	- (Increase) / Decrease in Inventories	(2,64,52,034)		2,39,71,934	
	- (Increase) / Decrease in Short term loans & advances	(42,73,198)		(1,59,93,606)	
	- (Increase) / Decrease in Long term loans & advances	(2,98,650)		18,42,230	
	- Increase / (Decrease) in Trade payables & Other Current Liabilities and provisions	1,09,34,584	(5,83,71,668)	(91,96,355)	2,08,00,553
	Direct Taxes Paid (Net)		(1,24,83,345)		6,47,62,002
	Net Cash from Operating Activities		(92,99,097)		(69,32,262)
			(2,17,82,442)		5,78,29,740
B.	Cash Flow from Investing Activities				
	Purchase of Fixed Assets including CWIP	(65,94,441)		(45,96,446)	
	Sale of fixed assets	2,25,669		16,30,000	
	Dividends	-		-	
	(Increase) / Decrease in Non-Current Investments	3,21,05,000		(3,21,05,000)	
	Net Cash from Investments Activities		2,57,36,228		(3,50,71,446)
C.	Cash Flow Financing Activities				
	Borrowing/repayment of long term/short term borrowings	1,12,95,389		(3,33,40,994)	
	Interest paid	(49,54,910)		(61,31,900)	
	Issue of equity shares	-		-	
	Net Cash from Financing Activities		63,40,479		(3,94,72,893)
	Net Change in Cash & Cash Equivalent (A+B+C)		1,02,94,265		(1,67,14,599)
	Opening Cash and Bank Balance		1,42,31,169		3,09,45,768
	Closing Cash and Bank Balance		2,45,25,434		1,42,31,169
	Note: (i) Figures in brackets are outflows (ii) Previous Year's figures have been re-grouped wherever deemed necessary				

As per our report attached
For Dagliya & Co.
Chartered Accountants
Firm's registration no. 006715

Mayank Jain
(Mayank Jain)
Partner

Membership No. 225914
Place: Secunderabad
Date: 10.09.2021



For and on behalf of the Board of Directors
For Sumax Engineering (P) Ltd. For Sumax Engineering (P) Ltd.

Sudeep Mehta

(Sudeep Mehta)
Director
Din 00483072

Vimla Mehta

(Vimla Mehta)
Director
Din 00482904

Authorised Signatory

Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

Note 1 :

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2021 AND BALANCE SHEET AS ON THAT DATE

I. **Significant Accounting Policies :**

- A. **Accounting Conventions:** The Financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

- B. **Fixed Assets and Depreciation:** Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Company follows written down value method of charging depreciation on the basis of useful life of the fixed assets as prescribed under schedule II of the Companies Act, 2013 on pro-rata basis.

- C. **Impairment of Assets:** The carrying amount of assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value, i.e.net selling price or value in use, whichever is higher. An impairment loss, if any, is charged to the statement of profit and loss in the year in which the asset is identified as impaired.

- D. **Revenue Recognition :** Sales are invoiced on despatch of goods to the customers. Sales are exclusive of GST.

- E. **Inventories:** Inventories have been valued at cost or net realisable value whichever is less.

- F. **Investments :** Investments are valued at cost price and are held on long term basis.

- G. **Taxes on Income:** Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred Tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax asset arising due to unabsorbed depreciation and losses are recognized if there is virtual certainty that



For Sumax Engineering (P) Ltd.

Sudip Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

sufficient future taxable income will be available to realize the same. Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

- H. **Provisions, Contingent Liabilities and Contingent Assets:** The company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognised nor disclosed in the financial statements.

- I. **Employee Benefits:**

a) **Defined Contribution Plans:** The Company has defined contribution plans for employees comprising of Government administered Employees Provident Fund. The contribution paid/payable to this plan during the year is charged to the Profit and Loss Account of the year. There are no other obligations other than the contribution payable to P.F.Fund.

b) **Short Term Employee Benefits:** All employee benefits which are wholly due within twelve months of rendering the services are recognised in the period in which the employee rendered the related service.

c) **Defined Benefit Plans:**

Gratuity: Gratuity is a defined benefit scheme and is accounted on actuarial valuation at the balance sheet date, carried out once in three years by an independent actuary.

- J. The company is a small and medium sized company (SMC) as defined in the general instructions in respect of accounting standards notified under the Companies Act 2013. Accordingly, the company has complied with the accounting standards as applicable to a small and medium sized company.



For Sumax Engineering (P) Ltd.

Sudesh Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED
Notes to and forming part of accounts for the year ended 31-03-2021

NOTE S.N NO.	PARTICULARS	As at 31-03-2021	As at 31-03-2020		
(IN RUPEES)					
2.01	SHARE CAPITAL: The authorised, issued, subscribed and fully paid up capital comprises of equity shares having par value of Rs. 100 each as follows :				
a	Authorised: 2,20,000(P.Y 2,20,000) Equity Shares of Rs.100/- each	2,20,00,000	2,20,00,000		
b	Issued, Subscribed & Paid Up 2,10,450 (p.y 2,10,450) Equity Shares of Rs.100/- each fully paid-up	2,10,45,000	2,10,45,000		
c	Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period				
		FY 2020-21	FY 2019-20		
	At the beginning of the period	2,10,450	2,10,450		
	Issued during the year	-	-		
	At the end of the reporting period	2,10,450	2,10,450		
d	The details of shareholders holding more than 5% equity shares is set below;				
		As at 31-03-2021	As at 31-03-2020		
	Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Sudeep Mehta	1,95,405	92.85%	1,95,405	92.85%
	Vimala Mehta	14,850	7.06%	14,850	7.06%
2.02	Reserve & Surplus:	As at 31-03-2021	As at 31-03-2020		
a	Capital Reserve				
	At the beginning of the accounting period	1,33,500	1,33,500		
	Additions during the year	-	-		
	At the end of the accounting period	1,33,500	1,33,500		
a	General Reserve				
	At the beginning of the accounting period	83,11,490	83,11,490		
	Additions during the year	-	-		
	At the end of the accounting period	83,11,490	83,11,490		
b	Surplus in P&L A/c				
	At the beginning of the accounting period	18,98,26,764	17,04,31,295		
	Additions during the year	2,32,82,972	1,93,95,469		
	Less: Bonus shares issued during the year (Balance in Statement of Profit & Loss)	-	-		
	At the end of the accounting period	21,31,09,736	18,98,26,764		
	GRAND TOTAL	22,15,54,726	19,82,71,754		



For Sumax Engineering (P) Ltd.
Sudeep Mehta
 Authorised Signatory

For Sumax Engineering (P) Ltd.
Vimala Mehta
 Authorised Signatory

	As at 31-03-2021	As at 31-03-2020
2.03		
<u>Non-current Liabilities</u>		
<u>Long Term Borrowings</u>		
Secured Loans	-	-
(Hypothecation of Vehicle)	-	-
	<u>-</u>	<u>-</u>
2.04		
<u>Other Longterm Liabilities</u>		
Other Payables-		
Long term dues to Employees	40,22,546	53,63,338
	<u>40,22,546</u>	<u>53,63,338</u>
2.05		
<u>Current Liabilities</u>		
<u>Short-term Borrowings:</u>		
<u>Secured Loans from banks :</u>		
(secured against hypothecation of stocks and book debts)		
Cash Credit Loan	4,36,23,243	3,00,00,000
<u>Unsecured & repayable on demand :</u>		
From Shareholder	2,25,38,888	2,48,66,742
	<u>6,61,62,131</u>	<u>5,48,66,742</u>
2.06		
a <u>Trade Payables</u>		
- due to micro and small enterprises	63,87,639	5,24,306
- others payables	6,32,61,324	5,70,28,223
	<u>6,96,48,963</u>	<u>5,75,52,529</u>
b	There are no micro, small and medium enterprises to whom the company owes dues which are outstanding for more than 45 days from the balance sheet date. The micro, small and medium enterprises have been identified on the basis of information available with the company.	
2.07		
<u>Other Current Liabilities</u>		
Advance from customers	25,27,164	53,14,398
Curent Maturity of long term debts	-	1,81,291
Provision for Gratuity	1,98,281	2,08,228
Income tax (net)	16,20,054	15,02,059
Other payables-		
Statutory dues	32,71,060	34,28,937
Due to employees	59,98,687	40,34,131
Creditors for expenses	-	-
	<u>1,36,15,246</u>	<u>1,46,69,044</u>



For Sumax Engineering (P) Ltd.

Sudeep mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vinla mehta
Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

2.08 - Schedule of Fixed assets and depreciation thereon

SL.N O	Fixed Assets	Gross Block				Accumulated Depreciation			Net block	
		As at 1 April 2020	Additions	Sales	As at 31 March 2021	As at 1 April 2020	Depreciation charge for the year	Adjustment on account of sale	As at 31 March 2021	As at 31 March 2020
A	Owened Tangible	1	76,91,620	-	-	76,91,620	-	-	76,91,620	76,91,620
		2	3,25,81,540	16,59,338	-	3,42,40,878	28,49,925	54,36,800	2,88,04,078	2,99,94,665
		3	75,08,891	2,46,887	-	77,55,777	6,52,492	64,99,898	12,55,879	16,61,485
		4	96,88,602	99,900	-	97,88,502	6,21,470	78,10,382	19,78,120	24,99,690
		5	2,03,38,546	18,25,206	15,33,215	2,06,30,537	17,52,864	1,53,49,001	52,81,536	54,46,634
		6	72,77,850	4,03,410	-	76,81,261	3,68,010	68,62,036	8,19,224	7,83,824
		7	2,81,93,837	23,59,700	12,24,590	2,93,28,947	24,06,143	1,71,94,674	1,21,34,273	1,26,20,891
		11,32,80,886	65,94,441	27,57,805	11,71,17,521	86,50,904	20,80,190	5,79,64,730	6,06,98,808	
B	Intangible	1	2,73,024	-	-	2,73,024	-	-	13,651	13,651
		2	24,96,828	-	-	24,96,828	4,20,357	19,64,606	5,32,222	9,52,579
		27,69,852	-	-	27,69,852	4,20,357	-	5,45,873	9,66,230	
	TOTAL	11,60,50,738	65,94,441	27,57,805	11,98,87,373	90,71,261	20,80,190	6,13,76,770	6,16,65,038	
	PREVIOUS YEAR	8,26,35,654	3,58,22,423	24,07,339	11,60,50,738	1,05,63,162	9,24,709	5,43,85,699	6,16,65,038	



MD

For Sumax Engineering (P) Ltd.

Sudhraj Mantri

Authorised Signatory

For Sumax Engineering (P) Ltd.

Nimla Mehta

Authorised Signatory

2.09

Investments

(Quoted & Non- Trade, valued at cost)

- 200 Shares of Bank of India (Market value Rs.13,570 PY Rs. 6,450)	4,500	4,500
- 5500 shares of Lagnam Spintex P Ltd (Market value Rs.80,850 PY Rs. 7,600)	50,000	50,000
Investment in Mutual Fund		
DSP Mutual Fund		
Over night Fund Regular - Growth	20000000	
Ultra Short Fund - Regular - Growth (USF - 4674.056 units , ONF - 18749.129 units)	-	3,21,05,000
	<u>54,500</u>	<u>3,21,59,500</u>

2.10

Long term loans and advances:

Electricity deposits	74,088	25,088
Telephone deposits	21,975	21,975
Rent deposit	11,55,750	15,47,250
Capital advance	2,00,000	4,00,000
Deposits with others	48,61,570	40,20,420
	<u>63,13,383</u>	<u>60,14,733</u>

2.11

Deferred tax assets (net)

Deferred tax assets	As at 31-03-2021 34,28,114	As at 31-03-2020 34,88,991
	<u>34,28,114</u>	<u>34,88,991</u>

b Major components of deferred tax (assets) / Liabilities consist of the following

PARTICULARS	As at 31.03.2021	Movement during the year	As at 31.03.2020
i Relating to Fixed Assets	19,12,087	3,14,899	15,97,188
ii Provision for Gratuity	11,58,241	(3,75,776)	15,34,017
Deferred Tax Asset (Net)	<u>30,70,328</u>	<u>(60,877)</u>	<u>31,31,205</u>

CURRENT ASSETS2.12 (a) **Inventories:**

(Valued at lower of cost or net realisable value)

	As at 31.03.2021	As at 31.03.2020
- Trading Goods	4,35,47,767	3,94,99,678
- Raw Material	6,69,49,440	5,37,53,370
- Finished Goods	3,85,05,403	2,92,97,529
	<u>14,90,02,610</u>	<u>12,25,50,576</u>



For Sumax Engineering (P) Ltd.

Sudeep mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla mehta
Authorised Signatory

2.13	(b) Trade Receivables: (Unsecured & considered good unless otherwise stated)		
	i Over six months	59,42,441	60,48,529
	ii Others	11,81,81,506	7,97,93,049
		<u>12,41,23,947</u>	<u>8,58,41,578</u>
2.14	(c) Cash & bank balances: Cash & cash equivalents:		
	i Balance with banks		
	In current account	2,28,69,141	1,38,15,962
	ii Cash on hand	2,96,451	76,748
	Other bank balances	2,31,65,591	1,38,92,710
	i Deposit with Bank	3,59,843	-
	ii Margin money with bank	10,00,000	3,38,459
		<u>2,45,25,434</u>	<u>1,42,31,169</u>
2.15	(d) Short term loans & advances: (Unsecured & considered good unless otherwise stated)		
	Advances recoverable in cash or in kind for value to be received		
	Advance to others	10,34,406	74,65,631
	Advance to suppliers	1,97,86,442	1,29,60,780
	Advances to employees	5,18,254	5,20,199
	Balances with government authorities	87,50,918	48,70,213
		<u>3,00,90,020</u>	<u>2,58,16,822</u>



For Sumax Engineering (P) Ltd.

Sudheer manta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla manta
Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

NOTE NO.	PARTICULARS	For the year ended 31-03- 2021	For the year ended 31-03- 2020
2.16	<u>Revenue from operations</u>		
	Sale of products	76,10,05,299	75,60,73,964
	Sale of services	-	7,524
	Revenue from operations	76,10,05,299	75,60,81,488
2.17	<u>Other Income:</u>		
	Interest received (TDS Rs. nil PY Rs.1810)	36,680	7,492
	Discount received	4,847	10,244
	Other income	10,18,488	49,90,268
	Exchange differences	23,326	20,62,801
	Profit on sale of Asset	-	1,57,737
		10,83,342	72,28,542
2.18	<u>Cost of Materials Consumed:</u>		
	Purchases Raw-materials	41,86,60,891	24,03,63,690
	Add: opening balance of stock	5,37,53,370	5,70,83,503
		47,24,14,260	29,74,47,193
	Less: closing balance of stock	6,69,49,440	5,37,53,370
	Consumption of raw materials	40,54,64,820	24,36,93,823
	Clearing & forwarding charges	63,86,026	57,54,625
	Freight inward	1,52,94,924	20,43,009
	Consumption of materials	42,71,45,770	24,57,36,832
2.19	<u>Purchases of traded goods</u>		
	Purchases of traded goods	18,34,57,127	29,27,43,579
	Carriage inward	6,36,643	66,48,711
	Packing material	16,274	11,576
		18,41,10,044	30,51,58,492
2.20	<u>Changes In Inventories</u>		
	At the beginning of the accounting period		
	- Trading Goods	3,94,99,678	5,72,38,687
	- Finished Goods	2,92,97,529	3,22,00,320
		6,87,97,206	8,94,39,007
	At the end of the accounting period		
	- Trading Goods	4,35,47,767	3,94,99,678
	- Finished Goods	3,85,05,403	2,92,97,529
		8,20,53,170	6,87,97,206
		(1,32,55,964)	2,06,41,801



For Sumax Engineering (P) Ltd.
Sandeep mehta
 Authorised Signatory

For Sumax Engineering (P) Ltd.
Nimla Mehta
 Authorised Signatory

	For the year ended 31-03- 2021	For the year ended 31-03- 2020
2.21 Manufacturing Expense :		
Consumption of stores and spare parts	3,97,156	8,52,562
Job work charges	36,17,648	38,31,121
Machinery repairs & maintenance	18,30,240	15,68,808
	58,45,044	62,52,492

	For the year ended 31-03- 2021	For the year ended 31-03- 2020
2.22 Employee Benefits Expense		
a Salary and Wages		
Salaries	2,56,40,469	3,52,86,104
Bonus	46,47,233	25,22,901
HRA Allowance	1,60,43,005	1,11,65,533
Mobile & conveyance allowance	2,06,342	1,04,92,356
Labour charges	46,23,049	24,86,791
Special Incentive	27,89,602	6,39,774
Directors remuneration	1,27,80,000	2,12,85,000
b Contribution to provident and other funds		
Contribution to Provident Fund	13,31,558	15,81,995
Contribution to Employees State Ins. Fund	3,12,707	5,45,718
c Other expenses		
Staff welfare expenses	10,04,217	10,65,399
Leave encashment	1,31,370	2,30,048
Gratuity	(10,00,403)	4,74,665
	6,85,09,149	8,71,36,509

d The following table sets out the status of the gratuity plan (non-funded) as required under AS 15 (Revised)

	For the year ended 31-03- 2021	For the year ended 31-03- 2020
Statement of Profit & Loss		
d.i		
Current Service Cost	6,98,529	10,20,971
Interest Cost on benefit obligation	3,82,209	56,927
Expected return on plan assets	-	-
Net Actuarial (gain). Loss recognized in the year	(20,81,141)	38,72,411
Past services cost	-	-
Net Benefit expenses	(10,00,403)	49,50,310

d.ii Balance Sheet

Details of provision for Gratuity
Changes in the present value of the
defined benefit obligation are as
follows:

	For the year ended 31-03- 2021	For the year ended 31-03- 2020
Opening defined benefit obligation	55,71,566	55,14,080
Interest cost	3,82,209	56,927
Current service cost	6,98,529	10,20,971
Benefits paid	(3,50,336)	(4,17,179)
Actuarial (gains)/losses on obligation	(20,81,141)	(6,03,234)
closing defined benefit obligation	42,20,827	55,71,566



For Sumax Engineering (P) Ltd.

Sudeep Kumar
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta
Authorised Signatory

d.iii The principal assumptions used in determining gratuity and post employment medical benefit obligations for the company's plans are shown below:

Assumptions	%	%
Salary Rise	6	6.86
Discount rate	7.07	5
Attrition Rate	5	5
Av Balance Service	24.69 years	25.38 years

d.iv Actuarial valuation is conducted once in every three years and since the current year is the second year, valuation is taken as per the last year's calculations.

	For the year ended 31-03- 2021	For the year ended 31-03- 2020
2.23		
Financial Costs:		
Bank charges	10,87,635	2,44,516
Bank interest	14,24,391	25,55,507
Interest (others)	24,42,885	33,31,876
	<u>49,54,910</u>	<u>61,31,900</u>
2.24		
Other Expenses:		
a		
Administrative expenses		
Conveyance expenses	3,04,139	6,81,312
Insurance	13,76,846	11,90,353
Printing & stationery	6,08,614	4,78,655
Professional charges	29,24,715	38,04,338
Donation	41,500	-
Rates & taxes	5,26,887	9,23,782
Repairs & maintenance - others	10,72,647	6,77,268
Repairs & maintenance - Building	2,61,509	-
Telephone charges	4,33,975	5,94,456
Miscellaneous expenses	25,48,509	40,30,456
Auditors remuneration:		
Statutory audit fees	50,000	50,000
Tax audit fee	20,000	20,000
Rent	47,65,724	57,34,772
Electricity charges	23,77,420	27,59,648
Godown rent	7,02,848	8,72,122
Mobile & conveyance expenses	4,41,686	5,22,620
Loss on sale of asset	4,51,949	10,367
Postage & courier Expenses	2,72,254	3,06,992
	<u>1,91,81,222</u>	<u>2,26,57,142</u>
b		
Selling & distribution expenses		
Bad debts written off	4,41,529	9,34,749
Rebates & discounts	4,91,055	10,49,016
Carriage outwards	1,85,98,303	1,81,98,306
Business promotion expenses	9,25,672	13,98,641
Sales commission	11,40,793	8,26,544
Travelling expenses	21,68,910	86,28,398
	<u>2,37,66,263</u>	<u>3,16,75,428</u>
Total (a+b)	<u>4,29,47,485</u>	<u>5,43,32,570</u>



For Sumax Engineering (P) Ltd.

Sudeep Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vinla Mehta
Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

Note 2 : Notes to Accounts (contd...)

2.25 Particulars of Managing Director's Remuneration Remuneration paid to Sudeep Mehta:

Particulars	2020-21	2019-20
- Salary	1,58,09,000	1,95,00,000

- 2.26 The company does not have any non cancellable lease arrangements. Office and factory premises are taken on operating lease and such lease rentals are charged to revenue on accrual basis.
- 2.27 The company has carried out impairment exercise during the year and it has not resulted in any adjustment in the books of account since there was no indication of impairment loss.
- 2.28 Balances under the head Trade Receivables, Loans & Advances, Trade Payables and other liabilities are subject to confirmation from the respective parties.
- 2.29 Previous year figures have been regrouped/recasted/reclassified/rearranged wherever deemed necessary to confirm with current year's classification.
- 2.30 Amounts, due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2021 is Nil (p.y Nil).
- 2.31 Professional charges include Rs. Nil (PY Rs. 97,500/-) paid to auditors towards consultancy charges.

2.32 Related party Disclosures

Disclosures as required by the Accounting Standard 18 (AS-18) "Related party Disclosures" are given below:

I. **Names of related parties and description of relationship:**

- a. Associates : Autokrom India Private Limited
- b. Key Management Personnel : Shri Sudeep Mehta
Smt Vimla Mehta
Shri Keiji Nakajima
- c. Relatives of Key Personnel: Smt. Smriti Mehta
Shri Sumerchand Mehta
M/s Sampatmal Lodha (HUF)
M/s Sumerchand Mehta HUF
Smt Pushpa Lodha



For Sumax Engineering (P) Ltd.
Sudeep Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.
Vimla Mehta
Authorised Signatory

II. Related Party Transaction: as per annexure attached

2.33 Additional information on sales and purchases:

i. Turnover (Manufacturing)

Items	2020-21 (Rs.)	2019-20 (Rs.)
Sales (Mfg)	76,10,05,299	51,45,31,911

ii. Opening Stock

Items	2020-21 (Rs.)	2019-20 (Rs.)
Opening Stock	2,92,97,529	3,22,00,320

iii. Closing Stock

Items	2020-21 (Rs.)	2019-20 (Rs.)
Closing stock	3,85,05,403	2,92,97,529

iv. Trading Goods

	2020-21 (Rs.)	2019-20 (Rs.)
Turnover	26,61,24,541	24,15,49,577
Purchases	18,34,57,127	29,27,43,579
Opening Stock	3,94,99,678	5,72,38,687
Closing Stock	4,35,47,767	3,94,99,678

In view of considerable number of items having diverse nature, it is not practicable to give broad heads in respect of Trading Goods.

v. Raw Material Consumed

	2020-21 (Rs.)	2019-20 (Rs.)
RMC	42,71,45,770	24,57,36,832
Indigenous	14,64,21,410	2,67,33,215
In %	34.28%	10.88%
Foreign	28,07,24,360	21,90,03,617
In %	65.72%	89.12%

B. Value of Imports (CIF) Value

	2020-21	2019-20
Material purchased	36,92,34,118	33,96,16,130

C. Foreign Exchange

Foreign Exchange earnings	: Sales	Sales
	Rs. 647600.20/-	Rs. 836632/-
	USD 8900	USD 8493.40
	Euro -	Euro 3157



For Sumax Engineering (P) Ltd.
Sudeep Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.
Nimla Mehta
Authorised Signatory

OUTGO - IMPORT PURCHASES

FOREX	2020-21		2019-20	
	Amount in Forex	Amount in INR	Amount in Forex	Amount in INR
USD	29,46,999.96	22,03,80,584.59	33,58,469.16	24,01,66,145.52
EURO	13,39,395.10	11,73,71,553.23	10,17,132.29	8,14,97,971.96
JPY	4,42,07,449.00	3,14,81,980.63	2,54,81,270.00	1,69,58,119.39
NZD	-	-	20,720.00	9,93,892.70
Total	4,84,93,844.06	36,92,34,118.45	2,98,77,591.45	33,96,16,129.57

OUTGO - TRAVELLING EXPENSES

FOREX	2020-21		2019-20	
	Amount in Forex	Amount in INR	Amount in Forex	Amount in INR
USD	1,500.00	1,12,841.00	1,600.00	1,15,853.00
EURO			1,500.00	1,20,398.00
CNY			9,000.00	97,626.00
SGD	-	-	3,000.00	1,61,490.00
Total	1,500.00	1,12,841.00	15,100.00	4,95,367.00

2.34 Contingent liabilities not provided for – Sales tax demand of Rs. 11,31,469/- and towards Bank Guarantee 10,00,000 (PY sales tax demand Rs.27,66,584/-, and Bank Guarantee Rs.1497192/-).

For Dagliya & Co.,
Chartered Accountants,
(ICAI Firm Reg. No.00671S)

Mayank
(Mayank Jain)



Partner
M.No. 225914
Place: Secunderabad
Date: 10/09/2021

For and on behalf of the Board
For Sumax Engineering (P) Ltd.

Sudeep mehta

Authorised Signatory

Sudeep Mehta
(Director)
Din: 00483072

For Sumax Engineering (P) Ltd.

Vimala mehta

Authorised Signatory

Vimala Mehta
(Director)
Din: 00482904

SUMAX ENGINEERING PRIVATE LIMITED

Annexure to Note no. 2.30 of notes to accounts forming part of Balance sheet as at 31-03-2021 and Profit & Loss account for the year ended on that date

Related party transaction for the year ended 31-03-2021

Amount in Rs.

Nature of Transaction	Associates	Key Management Personnel	Individual having significant influence	Relatives of Key Management Personnel
Rent				
Vimla Mehta		6,94,572		
Smriti Mehta		(6,61,500)		2,87,092 (2,73,424)
Remuneration Paid				
Sudeep Mehta		1,58,09,000 (1,95,00,000)		
Keiji Nakajima		- (12,00,000)		
Smriti Mehta				12,00,000 (26,25,000)
Sumer Chand Mehta				6,00,000 -
Vimala Mehta		7,80,000 (5,85,000)		
Interest Paid				
Sumer Chand Mehta				13,34,431 (12,61,565)
Sumer Chand Mehta HUF				6,71,103 (15,86,904)
Vimala Mehta		4,12,348 (3,31,441)		
Pushpa Lodha				24,987 -
Unsecured Loan taken				
Vimla Mehta		20,00,000 (10,00,000)		
Sumer Chand Mehta HUF				25,00,000 (15,00,000)
Sumer Chand Mehta				66,58,000 (10,00,000)
Pushpa Lodha				9,00,000 -
Unsecured Loan Repaid				
Sumer Chand Mehta		- -		11,35,408 (8,90,407)
Sumer Chand Mehta HUF				1,52,11,800 (18,04,480)
Vimla Mehta		2,98,297 (2,16,715)		
Unsecured Loan Taken (Maximum Balance)				
Sumer Chand Mehta				1,65,97,552 (98,40,612)



For Sumax Engineering (P) Ltd.

Sudeep Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

Vimala Mehta		50,18,224 (29,35,100)		
Sumer Chand Mehta HUF				1,20,91,030 (1,20,91,030)
Pushpa Lodha				9,23,112
Purchases				-
Autokrom India P Ltd	1,21,60,207 (1,36,10,792)			
Sales				
Auto Krom India P Ltd	61,59,108 (38,13,170)			
Balances outstanding at the end of the year :				
Other Receivable				
Vimla Mehta		-		-
Smriti Mehta		-		-
Trade Payable				
Auto Krom India Private Ltd	- (58,09,480)			
Advance to Suppliers				
Auto Krom India Private Ltd	- (18,18,422)			
Loan				
Sumer Chand Mehta			1,65,97,552 (98,40,612)	-
Vimala Mehta		50,18,224 (29,35,100)		-
Sumerchand Mehta HUF				- (1,20,91,030)
Pushpa Lodha				9,23,112
				-

* Figures in bracket represent previous year figures.

For Dagliya & Co.
Chartered Accountants
Firm's registration no. 00671S

Mayank Jain

(Mayank Jain)
Partner

Membership No. 225914
Place: Secunderabad
Date: 10.09.2021



For and on behalf of the Board of Directors For Sumax Engineering (P) Ltd.

Sudeep Mehta

Sudeep Mehta
(Director)
Din 00483072

Vimala Mehta

Vimala Mehta
(Director)
Din 00482904

Authorised Signatory

Authorised Signatory

M/S SUMAX ENGINEERING PRIVATE LIMITED
ASSTT YEAR 2021-21

1 DETAIL OF UNSECURED LOAN TAKEN

Name	Opening Bal	Taken	Repaid	Interest	Interest Paid	TDS	CI Bal	Max Bal
From Shareholder								
Sumer Chand Mehta	98,40,612	66,58,000	11,35,408	13,34,431	-	1,00,083	1,65,97,552	1,66,97,635
Sumerchand Mehta HUF	1,20,91,030	25,00,000	1,52,11,800	6,71,103	-	50,333	-	1,20,91,030
Vimala Mehta	29,35,100	20,00,000	2,98,297	4,12,348	-	30,927	50,18,224	50,49,151
Pushpa Lodha	-	9,00,000	-	24,987	-	1,875	9,23,112	9,23,112
Total	2,48,66,742	1,20,58,000	1,66,45,505	24,42,869	-	1,83,218	2,25,38,888	3,47,60,928
Secured Loans								
Kotak Mahindra Prime Ltd	1,81,291		1,94,285	1,278		-	-11,716	1,81,291

For Sumax Engineering (P) Ltd.

Sudhanshu Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Nimla Mehta

Authorised Signatory