



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 2023, 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, 2023, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, key audit matters are not applicable to the company as it is an unlisted company.





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, 2020 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:
- i.
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
 - b) The company has a regular program of physical verification of its property, plant and equipment (PPE) by which its PPE are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Accordingly certain PPE have been physically verified by the management during the current year and no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties disclosed in the financial statements are held in the name of the company.
 - d) The company has not revalued its Property, Plant and Equipments or intangible assets hence the reporting if the revaluation is based on the valuation of registered valuer and specifying of changes of more than 10% or more in the aggregate value of each class of PPE as per clause (i)(d) of the Order does not arise.
 - e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the reporting on disclosure of such transactions in the financial statements as per clause (i)(e) of the Order does not arise.
- ii.
- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The coverage and 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. The discrepancies noticed on verification between the physical stocks and the book records were not 10% or more in the aggregate for each class of inventory.
 - b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns/ statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company
- iii. In respect of investments in, guarantees or security granted to, loans and advances in the nature of loans, secured or unsecured granted to companies, firms, Limited Liability Partnership Firms or other parties.





(a) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to loans or advances in the nature of loans or guarantee or security provided during the year is as follows:

| Particulars | (Rs. in lakhs) | | | |
|--|----------------|----------|-------|--------------------------------|
| | Guarantees | Security | Loans | Advance in the nature of loans |
| Aggregate amount granted/ provided during the year | | | | |
| - Subsidiaries | | | | |
| - Joint Ventures | | | | |
| - Associates | | | | |
| - Others | | | | |
| Balance Outstanding as at Balance Sheet date in respect of above cases | | | | |
| - Subsidiaries | | | | |
| - Joint Ventures | | | | |
| - Associates | 100 | | | |
| - Others | | | | |

(b) According to the information and explanation given to us the guarantees provided and the terms and conditions of all loans, advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(c) The company has not granted any loan or advance in the nature of loans. Hence reporting under clause 3((iii)(c) does not arise.

(d) In view of the above Para (iii) (c), the question of amount becoming overdue and reasonable steps for recovery of principal and interest does not arise.

(e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Hence the reporting of the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year as per clause (iii)(e) of the Order does not arise.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence the reporting of aggregate amount of such loans and percentage thereof to total loans granted and aggregate amount of loans granted to Promoters, related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 as per clause 3(iii)(f) of the Order does not arise.





- iv. In our opinion the company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments or guarantees/security given.
- v. In our opinion the company has not accepted any deposits from public; hence the question of compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder as per clause (v) of the Order does not arise.
- vi. The company is not required to maintain cost records under sub-section (1) of section 148 of the Act for the operations of the company.
- vii.
- a) The company is generally regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of excise, value added tax, Cess and other statutory dues with the appropriate authorities to the extent applicable to it.
- b) In our opinion no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues which have remained outstanding as at 31st March 2023 for a period of more than six months from the date they became payable except the followings:

| S.No. | Statute | Asstt. Year | Section /Nature | Date | Amount (Rs. In Lakhs) |
|-------|---------------------|----------------|-------------------------|------------|-----------------------|
| 1 | Income Tax Act,1961 | 2018-19 | 143(3)- Interest Demand | 09.03.2021 | 0.86 |
| 2 | Income Tax Act,1961 | 2022-23 | TDS Defaults | - | 0.01 |
| 3 | Income Tax Act,1961 | 2021-22 | TDS Defaults | - | 0.01 |
| 4 | Income Tax Act,1961 | Previous Years | TDS Defaults | - | 4.68 |

- c) In our opinion there are no dues of Goods & Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues which have not been deposited on account of any dispute.





- viii. There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence the reporting whether the previously unrecorded income has been properly recorded in books of account during the year as per clause 3(viii) of the Order does not arise.
- ix.
- a) According to the information and explanation given to us the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
 - c) In our opinion and according to the information and explanations given to us, the company has not issued any term loan during the year, hence utilization of money obtained by way of term loan during the year is not applicable.
 - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes by the Company.
 - e) According to the information and explanations given to us, and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. The Company do not have any subsidiaries or joint ventures.
 - f) According to the information and explanations given to us, and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.
- a) No money was raised by way of initial public offer or further public offer (including debt instruments). Hence the question of application of moneys raised by way of initial public offer, further public offer for the purpose for which they were raised does not arise.
 - b) The company company has not made any preferential allotment or private placement of shares or convertible debentures during the year; hence the requirement of compliance to provisions of Section 42 and Section 62 of the Act and utilization of amounts so raised for the purpose for which the funds were raised as per clause (x)(b) of the Order does not arise.
- xi.
- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the year.
 - b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors





in Form ADT -4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the company.
- xiii. In our opinion the company has complied with the provisions of Section 188 of the Act and disclosed such transactions in the Financial Statements as required by the applicable Accounting Standards. The provisions of Section 177 are not applicable to the Company.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- xv. In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with them, hence the requirement of compliance to provisions of Section 192 of the Companies Act, 2013 as per clause (xv) of the Order does not arise.
- xvi.
- a). In our opinion, the company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934, hence the requirements of clause (xvi) of the Order does not arise.
- b). The company has not conducted any non-banking financial or housing finance activities without a valid certificate of Registration (CoR) from the Reserve Bank of India as per Reserve Bank of India Act, 1934.
- c). The company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence the reporting of whether the company continues to fulfil the criteria of CIC and in case the company is exempted or unregistered CIC and if it continues to fulfil such criteria as per clause (xvi)(c) of the Order does not arise.
- d). The group has no CIC hence the requirements of Clause (xvi)(d) does not arise.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists





as on the date of the audit report that the company is not capable of meeting its liabilities existing as at the date of the balance sheet and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. The Company is not required to comply with the provisions of section 135 of the Companies Act, 2013, hence requirement of second proviso to sub-section (5) of Section 135 of the Act does not arise.
- xxi. The accounts being reported being standalone financials the requirements of clause (xxi) of the Order does not arise
- II. As required by Section 143(3) of the Act, we report that
- i. 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;
 - ii. 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;
 - iii. 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;
 - iv. 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;
 - v. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) the Act.
 - vi. 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".
 - vii. 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:
 - a). The Company does not have any pending litigations which would impact its financial position.
 - b). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

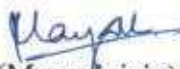




- c). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d).
- a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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; and
- c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- e). The company has not declared any dividend for the current financial year and not paid any dividend related to last year in current financial year.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place : Secunderabad
Date: 12th July, 2023

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


(Mayank Jain)
Partner
M.No.225914
UDIN:



23225914 B6V2 MD 9752

Annexure A to the Independent Auditor's Report

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, 2023 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, 2023, 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: 12th July, 2023



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

Mayank Jain
(Mayank Jain)
Partner

M.No.225914

UDIN: 23225914B6VZ
MD9752

SUMAX ENGINEERING PRIVATE LIMITED

BALANCE SHEET AS AT 31-03-2023

(Rs. In Lacs)

| S. N | Particulars | Note No. | As at 31-03-2023 | As at 31-03-2022 |
|-----------|---------------------------------------|----------|------------------|------------------|
| I | <u>Equity and Liabilities</u> | | | |
| 1 | <u>Shareholders' Funds</u> | | | |
| (a) | Share capital | 2.01 | 210.45 | 210.45 |
| (b) | Reserves and surplus | 2.02 | 2,990.40 | 2,491.20 |
| | | | 3,200.85 | 2,701.65 |
| 2 | <u>Non-current Liabilities</u> | | | |
| (a) | Long Term Borrowings | 2.03 | 77.06 | 107.82 |
| (b) | Other long term liabilities | 2.04 | 45.87 | 40.60 |
| | | | 122.93 | 148.41 |
| 3 | <u>Current Liabilities</u> | | | |
| (a) | Short term borrowings | 2.05 | 400.41 | 416.06 |
| (b) | Trade payables | 2.06 | 584.64 | 498.52 |
| (c) | Other current liabilities | 2.07 | 243.51 | 131.18 |
| | | | 1,228.56 | 1,045.76 |
| | GRAND TOTAL | | 4,552.34 | 3,895.82 |
| II | <u>ASSETS</u> | | | |
| 1 | <u>Non-current Assets</u> | | | |
| (a) | Property, Plant and Equipment | 2.08 | | |
| | Tangible | | 732.24 | 557.78 |
| | Intangible | | 3.07 | 3.14 |
| | CWIP- Building | | - | 42.92 |
| (b) | Investments | 2.09 | 0.05 | 47.31 |
| (c) | Long-term loans and advances | 2.10 | 73.43 | 80.99 |
| (d) | Deferred tax assets (net) | 2.11 | 41.64 | 37.24 |
| | | | 850.42 | 769.38 |
| 2 | <u>Current Assets</u> | | | |
| (a) | Inventories | 2.12 | 2,086.51 | 1,795.08 |
| (b) | Trade receivables | 2.13 | 1,319.02 | 1,010.93 |
| (c) | Cash and cash equivalents | 2.14 | 88.92 | 30.02 |
| (d) | Short-term loans and advances | 2.15 | 207.47 | 290.41 |
| | | | 3,701.92 | 3,126.44 |
| | GRAND TOTAL | | 4,552.34 | 3,895.82 |

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: 12th July, 2023



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

For and on behalf of the Board of
Directors

Sudeep Mehta

Authorised Signatory

(Sudeep Mehta)
Director
Din 00483072

Vimla Mehta

Authorised Signatory

(Vimla Mehta)
Director
Din 00482904

UDIN: 23225914BGNVZMD9752

SUMAX ENGINEERING PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2023

(Rs. In Lacs)

| S. N | Particulars | Note No. | For the year ended 31-03-2023 | For the year ended 31-03-2022 |
|------|--|----------|-------------------------------|-------------------------------|
| | Revenue from operations | | | |
| I | Revenue from operations | 2.16 | 12,682.09 | 9,381.84 |
| II | Other income | 2.17 | 51.12 | 13.84 |
| III | Total Revenue(i+ii) | | 12,733.21 | 9,395.68 |
| IV | Expenses: | | | |
| a | Cost of material consumed & sold | 2.18 | 5,971.52 | 4,987.93 |
| b | Purchase of stock-in-trade | 2.19 | 4,744.13 | 2,593.54 |
| c | Changes in inventories of finished goods | 2.20 | (475.03) | (63.06) |
| d | Other manufacturing expenses | 2.21 | 115.93 | 92.79 |
| e | Employee benefits expenses | 2.22 | 894.74 | 776.38 |
| f | Finance costs | 2.23 | 58.41 | 53.09 |
| g | Depreciation | 2.08 | 92.79 | 85.24 |
| h | Other Expenses | 2.24 | 636.81 | 486.24 |
| | Total Expenses | | 12,039.30 | 9,012.16 |
| V | Profit Before Tax (v-vi) | | 693.91 | 383.52 |
| VI | Tax Expense | | | |
| a | Current Tax | | 199.11 | 110.69 |
| b | Earlier years taxes | | - | 0.13 |
| c | Deferred Tax | | (4.40) | (2.96) |
| VII | Profit (loss) For The Period (xi+xiv) | | 499.20 | 275.65 |
| VIII | Earnings Per Equity Share (Basic & Diluted) | | 237.20 | 130.98 |
| | 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 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: 12th July, 2023

UDIN: 23225914 BGVZ MD 9752



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, 2023

(Rs. In Lacs)

| Sr. | Particulars | AMOUNT 31.03.2023 | | AMOUNT 31.03.2022 | |
|-----------|---|----------------------|-----------------|----------------------|-----------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| 1 | Net Profit/(Loss) before Tax and Extraordinary Items | | 693.91 | | 383.52 |
| 2 | <u>Adjustments for:</u> | | | | |
| | - Depreciation | 92.79 | | 85.24 | |
| | - Interest | 58.41 | | 53.09 | |
| | - Loss/(profit) on sale of FA | 7.73 | | 0.26 | |
| | - Gratuity Provision | 19.45 | | 9.97 | |
| | - Gratuity paid | (4.69) | | (1.61) | |
| | | | 173.69 | | 146.94 |
| | Operating Profit before Working Capital Changes | | 867.60 | | 530.46 |
| 3 | <u>Adjustments For</u> | | | | |
| | - (Increase) / Decrease in Trade Receivable | (308.09) | | 230.31 | |
| | - (Increase) / Decrease in Inventories | (291.43) | | (305.06) | |
| | - (Increase) / Decrease in Short term loans & advances | 82.94 | | 19.20 | |
| | - (Increase) / Decrease in Long term loans & advances | 7.56 | | (17.85) | |
| | - Increase / (Decrease) in Trade payables & Other Current Liabilities and provisions | 152.73 | | (194.73) | |
| | | | (356.29) | | (268.13) |
| | Direct Taxes Paid (Net) | | 511.31 | | 262.33 |
| | | | (162.87) | | (135.74) |
| | Net Cash from Operating Activities | | 348.44 | | 126.60 |
| B. | Cash Flow from Investing Activities | | | | |
| | Purchase of Fixed Assets including CWIP | (232.52) | | (107.84) | |
| | Sale of fixed assets | 0.54 | | 3.60 | |
| | Dividends | - | | - | |
| | (Increase) / Decrease in Non-Current Investments | 47.26 | | (46.76) | |
| | Net Cash from Investments Activities | | (184.72) | | (151.00) |
| C. | Cash Flow Financing Activities | | | | |
| | Borrowing/ repayment of long term/short term borrowings | (46.41) | | (137.74) | |
| | Interest paid | (58.41) | | (53.09) | |
| | Issue if equity shares | - | | - | |
| | Net Cash from Financing Activities | | (104.82) | | (190.83) |
| | Net Charge in Cash & Cash Equivalent (A+B+C) | | 58.90 | | (215.23) |
| | Opening Cash and Bank Balance | | 30.02 | | 245.25 |
| | Closing Cash and Bank Balance | | 88.92 | | 30.02 |
| | 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. 00671S

Mayank Jain
(Mayank Jain)
Partner

Membership No. 225914
Place: Secunderabad
Date: 12th July, 2023

UDIN: 23225914BGVZMD9752



For and on behalf of the Board of Directors

For Sumax Engineering (P) Ltd.

Suddeep Mehta

(Suddeep Mehta)
Director
Authorised Signatory

Din 00483072

For Sumax Engineering (P) Ltd.

Vimala Mehta

(Vimala Mehta)
Director
Authorised Signatory

Din 00482904

SUMAX ENGINEERING PRIVATE LIMITED

Note 1 :

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023 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.



For Sumax Engineering (P) Ltd.

Sudeep mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

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 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 recognized 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 recognized 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.

Sudeep 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 31-03-2023

(Rs. In Lacs)

| NOTE S.N PARTICULARS NO. | As at 31-03-2023 | As at 31-03-2022 |
|--|------------------|------------------|
| 2.01 SHARE CAPITAL: | | |
| <u>The authorised, issued, subscribed and fully paid up capital comprises of equity shares having par value of Rs. 100 each as follows :</u> | | |
| a Authorised: | | |
| 2,20,000(P.Y 2,20,000) Equity Shares of Rs.100/- each | 220.00 | 220.00 |
| b Issued, Subscribed & Paid Up | | |
| 2,10,450 (p.y 2,10,450) Equity Shares of Rs.100/- each fully paid-up | 210.45 | 210.45 |
| | <u>210.45</u> | <u>210.45</u> |
| c Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period | | |
| | FY 2022-23 | FY 2021-22 |
| At the beginning of the period | 210,450 | 210,450 |
| Issued during the year | - | - |
| At the end of the reporting period | <u>210,450</u> | <u>210,450</u> |

d The details of shareholders/Promoters holding equity shares is set below;

| Name of Shareholder | As at 31-03-2023 | | As at 31-03-2022 | | % Change in Shareholding during the year |
|---------------------------|--------------------|----------------|--------------------|----------------|--|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | |
| Sudeep Mehta | 195,405 | 92.85% | 195,405 | 92.85% | 0.00% |
| Vimala Mehta | 14,850 | 7.06% | 14,850 | 7.06% | 0.00% |
| Sumerchand Mehta | 150 | 0.07% | 150 | 0.07% | 0.00% |
| Lodha Corporation (P) Ltd | 15 | 0.01% | 15 | 0.01% | 0.00% |
| Pushpa Lodha | 15 | 0.01% | 15 | 0.01% | 0.00% |
| Sampathmal Lodha (HUF) | 15 | 0.01% | 15 | 0.01% | 0.00% |
| | <u>210,450</u> | <u>100.00%</u> | <u>210,450</u> | <u>100.00%</u> | <u>0.00%</u> |

TERMS/RIGHTS ATTACHED TO EQUITY SHARES

- a The company has one class of Equity shares of Rs 100/- each. The Equity shares rank pari passu in all respects including right to dividend, issue of new shares, voting rights and in the assets of the company in the event of liquidation.
- b The company has not allotted any shares pursuant to contract without payment being received in cash, nor by way of bonus shares nor bought back any shares during the immediately preceding five financial years.

| 2.02 Reserve & Surplus: | As at 31-03-2023 | As at 31-03-2022 |
|---|------------------|------------------|
| a Capital Reserve | | |
| At the beginning of the accounting period | 1.34 | 1.34 |
| Additions during the year | - | - |
| At the end of the accounting period | <u>1.34</u> | <u>1.34</u> |
| a General Reserve | | |
| At the beginning of the accounting period | 83.11 | 83.11 |
| Additions during the year | - | - |
| At the end of the accounting period | <u>83.11</u> | <u>83.11</u> |
| b Surplus in P&L A/c | | |
| At the beginning of the accounting period | 2,406.75 | 2,131.10 |
| Additions during the year | 499.20 | 275.65 |
| Less: Bonus shares issued during the year | - | - |
| (Balance in Statement of Profit & Loss) | | |
| At the end of the accounting period | <u>2,905.95</u> | <u>2,406.75</u> |
| GRAND TOTAL | <u>2,990.40</u> | <u>2,491.20</u> |



M

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

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

| | As at 31-03-2023 | As at 31-03-2022 |
|--|------------------|------------------|
| 2.03 | | |
| <u>Non-current Liabilities</u> | | |
| <u>Long Term Borrowings</u> | | |
| Secured Loans | 77.06 | 107.82 |
| | <u>77.06</u> | <u>107.82</u> |
| 2.04 | | |
| <u>Other Longterm Liabilities</u> | | |
| Other Payables- | | |
| Long term dues to Employees | 45.87 | 40.60 |
| | <u>45.87</u> | <u>40.60</u> |
| 2.05 | | |
| <u>Current Liabilities</u> | | |
| <u>Short-term Borrowings:</u> | | |
| Secured Loans from banks : | | |
| (secured against hypothecation of stocks and book debts) | | |
| Cash Credit Loan | 72.31 | 194.43 |
| <u>Unsecured & repayable on demand :</u> | | |
| From Shareholder | 297.25 | 218.88 |
| Current Maturities of Long Term Loans | 30.84 | 2.75 |
| | <u>400.41</u> | <u>416.06</u> |
| 2.06 | | |
| a | | |
| <u>Trade Payables</u> | | |
| - due to micro and small enterprises | 191.17 | 169.51 |
| - others payables | 393.47 | 329.00 |
| | <u>584.64</u> | <u>498.52</u> |
| <u>Trade Payable ageing schedule</u> | | |
| Others outstanding, from due date of payment | | |
| Not due | | |
| <1 Year | 583.11 | 497.29 |
| 1-2 Year | 0.21 | 0.57 |
| 2-3 Year | 0.32 | - |
| >3 Year | 1.00 | 0.65 |
| Others Total | <u>584.64</u> | <u>498.52</u> |
| 2.07 | | |
| <u>Other Current Liabilities</u> | | |
| Advance from customers | 11.20 | 9.23 |
| Provision for Gratuity | 19.45 | 9.97 |
| Income tax (net) | 36.25 | - |
| Provision for expenses | 11.43 | - |
| Other payables- | | |
| Statutory dues | 63.61 | 32.49 |
| Due to employees | 101.57 | 79.50 |
| | <u>243.51</u> | <u>131.18</u> |
| 2.08 | | |
| <u>CWIP ageing schedule</u> | | |
| Others outstanding, from due date of payment | | |
| Not due | | |
| <1 Year | - | 42.92 |
| 1-2 Year | - | - |
| 2-3 Year | - | - |
| >3 Year | - | - |
| Others Total | <u>-</u> | <u>42.92</u> |



For Sumax Engineering (P) Ltd.

Suddeep Munde
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta
Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

2.08 - Schedule of Property, Plant & Equipment

| SL.N O | Fixed Assets | Gross Block | | | | Accumulated Depreciation | | | Net block | |
|-----------|----------------------|-----------------------|-----------|--------|------------------------|--------------------------|--|-------------------------------------|------------------------|------------------------|
| | | As at 1 April 2022 | Additions | Sales | As at 31 March 2023 | As at 1 April 2022 | Depreciation charge for the year | Adjustment on account of sale | As at 31 March 2023 | As at 31 March 2022 |
| A | Owned | | | | | | | | | |
| 1 | Tangible | | | | | | | | | |
| | Leasehold Land | 76.92 | - | - | 76.92 | - | - | - | 76.92 | 76.9162 |
| 2 | Building | 342.41 | 193.04 | - | 535.45 | 81.73 | 29.34 | 111.07 | 424.38 | 260.68 |
| 3 | Office Equipment | 82.74 | 15.18 | 44.48 | 53.44 | 70.196 | 6.82 | 34.76 | 18.68 | 12.55 |
| 4 | Furniture & Fixtures | 97.89 | 3.95 | 15.33 | 86.51 | 82.92 | 3.87 | 72.23 | 14.27 | 14.96 |
| 5 | Motor Vehicles | 213.53 | 20.75 | 23.69 | 210.60 | 152.40 | 18.90 | 148.90 | 61.70 | 61.13 |
| 6 | Computer | 83.34 | 10.35 | 49.32 | 44.38 | 72.91 | 7.49 | 33.55 | 10.83 | 10.43 |
| 7 | Plant & Machinery | 316.59 | 30.76 | 23.87 | 323.48 | 195.47 | 24.88 | 198.01 | 125.47 | 121.12 |
| | | 1,213.42 | 274.02 | 156.68 | 1,330.76 | 655.63 | 91.29 | 598.53 | 732.24 | 557.78 |
| B | Intangible | | | | | | | | | |
| 1 | Tool Design | 2.73 | | | 2.73 | 2.59 | | 2.59 | 0.14 | 0.14 |
| 2 | Software | 24.97 | 1.42 | | 26.39 | 21.97 | 1.49 | 23.46 | 2.93 | 3.00 |
| | | 27.70 | 1.42 | - | 29.12 | 24.56 | 1.49 | 26.05 | 3.07 | 3.14 |
| | TOTAL | 1,241.12 | 275.44 | 156.68 | 1,359.88 | 680.19 | 92.79 | 624.58 | 735.31 | 560.92 |
| | PREVIOUS YEAR | 1,198.87 | 64.91 | 22.67 | 1,241.12 | 613.77 | 85.24 | 680.19 | 560.92 | |

For Sumax Engineering (P) Ltd.

Suddeep Munde

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Munde

Authorised Signatory



| | | | |
|------|--|-------------|--------------|
| 2.09 | Investments (Quoted & Non- Trade, valued at cost) - 200 Shares of Bank of India (Market value Rs.14,970) | 0.05 | 0.05 |
| | - CY- Nil (PY-19,600) shares of IRB Infrastructure Developers Ltd. | - | 47.26 |
| | | <u>0.05</u> | <u>47.31</u> |

| | | | |
|------|--------------------------------------|--------------|--------------|
| 2.10 | Long term loans and advances: | | |
| | Electricity deposits | 1.89 | 1.89 |
| | Telephone deposits | 0.22 | 0.22 |
| | Rent deposit | 19.75 | 19.42 |
| | Capital advance | 15.73 | 13.85 |
| | Deposits with others | 35.84 | 45.61 |
| | | <u>73.43</u> | <u>80.99</u> |

| | | | |
|------|----------------------------------|------------------|------------------|
| 2.11 | Deferred tax assets (net) | As at 31-03-2023 | As at 31-03-2022 |
| | Deferred tax assets | 41.64 | 37.24 |
| | | <u>41.64</u> | <u>37.24</u> |

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

| PARTICULARS | As at 31.03.2023 | Movement during the year | As at 31.03.2022 |
|----------------------------|------------------|--------------------------|------------------|
| i Relating to Fixed Assets | 23.47 | 0.29 | 23.18 |
| ii Provision for Gratuity | 18.17 | 4.11 | 14.07 |
| Deferred Tax Asset (Net) | <u>41.64</u> | <u>4.40</u> | <u>37.24</u> |

CURRENT ASSETS

| | | | |
|----------|--|------------------|------------------|
| 2.12 (a) | Inventories: (Valued at lower of cost or net realisable value) | As at 31.03.2023 | As at 31.03.2022 |
| | - Trading Goods | 1,000.25 | 587.32 |
| | - Raw Material | 727.90 | 911.50 |
| | - Finished Goods | 358.36 | 296.27 |
| | | <u>2,086.51</u> | <u>1,795.08</u> |



For Sumax Engineering (P) Ltd.

Sudesh 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 | 23.04 | 36.74 |
| ii Others | 1,295.98 | 974.18 |
| | <u>1,319.02</u> | <u>1,010.93</u> |

Trade Receivable ageing schedule

Others outstanding, from due date of payment

| | | |
|--------------|-----------------|-----------------|
| Not due | | |
| <1 Year | 1,299.61 | 977.25 |
| 1-2 Year | 2.04 | 11.37 |
| 2-3 Year | - | 3.74 |
| >3 Year | 17.37 | 18.57 |
| Others Total | <u>1,319.02</u> | <u>1,010.93</u> |

2.14 (c) **Cash & bank balances:**

Cash & cash equivalents:

| | | |
|---|--------------|--------------|
| i Balance with banks | | |
| In current account | 75.24 | 13.63 |
| ii Cash on hand | 0.74 | 2.55 |
| Other bank balances | <u>75.97</u> | <u>16.18</u> |
| i Deposit with Bank | 0.65 | 2.13 |
| ii Margin money with bank (Bank Guarantee- 11.20Lakhs) | 12.29 | 11.72 |
| | <u>88.92</u> | <u>30.02</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 | 36.69 | 56.75 |
| Advance to suppliers | 129.52 | 162.37 |
| Advances to employees | 5.63 | 4.48 |
| Balances with government authorities | 35.63 | 66.81 |
| | <u>207.47</u> | <u>290.41</u> |



For Sumax Engineering (P) Ltd.

Suddeep Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

| NOTE NO. | PARTICULARS | For the year ended 31-03-2023 | For the year ended 31-03-2022 |
|----------|---|----------------------------------|----------------------------------|
| 2.16 | Revenue from operations | | |
| | Sale of products | 12,682.09 | 9,381.84 |
| | Revenue from operations | 12,682.09 | 9,381.84 |
| 2.17 | Other Income: | | |
| | Interest received | 0.66 | 0.84 |
| | Discount received | 0.76 | 0.20 |
| | Dividend Income | 0.24 | 0.05 |
| | Other income | 0.76 | 0.00 |
| | Exchange differences | 33.47 | 10.85 |
| | Profit or Loss on Sale of Investments | 15.22 | 1.90 |
| | | 51.12 | 13.84 |
| 2.18 | Cost of Materials Consumed: | | |
| | Purchases Raw-materials | 5,432.58 | 4,858.62 |
| | Add: opening balance of stock | 911.50 | 669.49 |
| | | 6,344.08 | 5,528.11 |
| | Less: closing balance of stock | 727.90 | 911.50 |
| | Consumption of raw materials | 5,616.18 | 4,616.62 |
| | Clearing & forwarding charges | 109.99 | 76.72 |
| | Freight inward | 245.35 | 294.60 |
| | Consumption of materials | 5,971.52 | 4,987.93 |
| 2.19 | Purchases of traded goods | | |
| | Purchases of traded goods | 4,698.58 | 2,591.99 |
| | Carriage inward | 44.35 | 1.15 |
| | Packing material | 1.21 | 0.39 |
| | | 4,744.13 | 2,593.54 |
| 2.20 | Changes In Inventories | | |
| | At the beginning of the accounting period | | |
| | - Trading Goods | 587.32 | 435.48 |
| | - Finished Goods | 296.27 | 385.05 |
| | | 883.59 | 820.53 |
| | At the end of the accounting period | | |
| | - Trading Goods | 1,000.25 | 587.32 |
| | - Finished Goods | 358.36 | 296.27 |
| | | 1,358.61 | 883.59 |
| | | (475.03) | (63.06) |



For Sumax Engineering (P) Ltd.

Suddeep mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla mehta

Authorised Signatory

| | For the year ended 31-03-2023 | For the year ended 31-03-2022 |
|--|----------------------------------|----------------------------------|
| 2.21 Manufacturing Expense : | | |
| Consumption of stores and spare parts | 11.89 | 5.43 |
| Disposal of Plastic Wastage | 3.72 | |
| Job work charges | 22.33 | 26.36 |
| Machinery repairs & maintenance | 21.63 | 20.25 |
| Factory Rent | 56.36 | 40.74 |
| | <u>115.93</u> | <u>92.79</u> |
| 2.22 Employee Benefits Expense | | |
| a Salary and Wages | | |
| Salaries & Other Allowances | 527.26 | 465.02 |
| Bonus | 66.91 | 44.86 |
| Labour charges | 75.87 | 60.04 |
| Special Incentive | 24.88 | 22.88 |
| Directors remuneration | 130.80 | 130.80 |
| b Contribution to provident and other funds | | |
| Contribution to Provident Fund | 17.41 | 15.43 |
| Contribution to Employees State Ins. Fund | 2.91 | 3.12 |
| c Other expenses | | |
| Staff welfare expenses | 17.93 | 22.79 |
| Leave encashment | 11.31 | 1.46 |
| Gratuity | 19.45 | 9.97 |
| | <u>894.74</u> | <u>776.38</u> |

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

| Statement of Profit & Loss | For the year ended 31-03-2023 | For the year ended 31-03-2022 |
|---|----------------------------------|----------------------------------|
| d.i Current Service Cost | 8.52 | 6.99 |
| Interest Cost on benefit obligation | 3.60 | 2.98 |
| Expected return on plan assets | - | - |
| Net Actuarial (gain)/ Loss recognized in the year | 7.34 | - |
| Past services cost | - | - |
| Net Benefit expenses | <u>19.45</u> | <u>9.97</u> |

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 31-03-2023 | For the year ended 31-03-2022 |
|--|----------------------------------|----------------------------------|
| Opening defined benefit obligation | 50.56 | 42.21 |
| Interest cost | 3.60 | 2.98 |
| Current service cost | 8.52 | 6.99 |
| Benefits paid | (4.69) | (1.61) |
| Actuarial (gains)/losses on obligation | 7.34 | - |
| closing defined benefit obligation | <u>65.33</u> | <u>50.56</u> |



For Sumax Engineering (P) Ltd.

Sudip mullik

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 | 6.00 | 6.00 |
| Discount rate | 7.58 | 7.07 |
| Attrition Rate | 5.00 | 5.00 |
| Av Balance Service | 23.19 years | 24.69 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 31-03-2023 | For the year ended 31-03-2022 |
|--|----------------------------------|----------------------------------|
| 2.23 | | |
| Financial Costs: | | |
| Bank charges | 2.55 | 9.01 |
| Bank interest | 30.58 | 20.10 |
| Interest (others) | 25.28 | 23.98 |
| | <u>58.41</u> | <u>53.09</u> |
| 2.24 | | |
| Other Expenses: | | |
| a | | |
| Administrative expenses | | |
| Conveyance expenses | 3.67 | 2.48 |
| Insurance | 18.31 | 15.06 |
| Printing & stationery | 6.83 | 5.80 |
| Professional charges | 31.95 | 25.14 |
| Donation | 0.23 | 2.06 |
| Rates & taxes | 14.99 | 8.22 |
| Repairs & maintenance - others | 26.59 | 15.09 |
| Repairs & maintenance - Building | 1.11 | 0.01 |
| Royalty Paid | 19.62 | - |
| Telephone charges | 4.97 | 4.41 |
| Miscellaneous expenses | 41.27 | 41.33 |
| Auditors remuneration: | | |
| Statutory audit fees | 1.05 | 0.50 |
| Tax audit fee | 0.20 | 0.20 |
| Rent | 14.13 | 9.98 |
| Electricity charges | 29.27 | 26.60 |
| Godown rent | 6.37 | 6.17 |
| Mobile & internet expenses | 3.21 | 4.74 |
| Security Service Charges | 7.93 | 3.87 |
| Loss on sale of asset | 0.11 | 0.26 |
| Fixed Assets w/off | 7.62 | |
| Postage & courier Expenses | 1.81 | 2.62 |
| | <u>241.24</u> | <u>174.53</u> |
| b | | |
| Selling & distribution expenses | | |
| Bad debts written off | 11.97 | 5.39 |
| Rebates & discounts | 59.96 | 2.67 |
| Carriage outwards | 192.80 | 239.10 |
| Business promotion expenses | 40.28 | 12.53 |
| Sales commission | 16.29 | 16.08 |
| Travelling expenses | 74.27 | 35.95 |
| | <u>395.56</u> | <u>311.72</u> |
| Total (a+b) | <u>636.81</u> | <u>486.24</u> |



For Sumax Engineering (P) Ltd.

Sudeep mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla 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 | (Rs. In Lakhs) | |
|-------------|----------------|---------|
| | 2022-23 | 2021-22 |
| - Salary | 182.77 | 160.00 |

- 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 where ever 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, 2023 is Nil (p.y Nil).
- 2.31 Professional charges include Rs. 0.53lakhs (PY Rs. 0.43/-lakhs) 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 ShriSudeep Mehta
SmtVimala Mehta
- c. Relatives of Key Personnel: Smt. Smriti Mehta
Shri Sumerchand Mehta
M/s Sampatmal Lodha (HUF)
Smt PushpaLodha



For Sumax Engineering (P) Ltd.

Sudeep mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimala mehta

Authorised Signatory

II. Related Party Transaction: as per annexure attached

2.33 Additional information on sales and purchases:

(Rs. In Lakhs)

i. Turnover (Manufacturing)

| Items | 2022-23 | 2021-22 |
|--------------|-----------|----------|
| Sales (Mfg) | 12,682.09 | 9,381.84 |

ii. Opening Stock

| Items | 2022-23 | 2021-22 |
|---------------|---------|---------|
| Opening Stock | 296.27 | 385.05 |

iii. Closing Stock

| Items | 2022-23 | 2021-21 |
|---------------|---------|---------|
| Closing stock | 358.36 | 296.27 |

iv. Trading Goods

| | 2022-23 | 2021-22 |
|---------------|----------|----------|
| Turnover | 5357.40 | 2,661.25 |
| Purchases | 4,698.58 | 2592.00 |
| Opening Stock | 587.32 | 435.48 |
| Closing Stock | 1000.25 | 587.32 |

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

| | 2022-23 | 2021-22 |
|------------|-----------------|-----------------|
| RMC | 5,971.52 | 4,987.93 |
| Indigenous | 2031.17 | 1742.06 |
| In % | 34.01% | 34.93% |
| Foreign | 3940.35 | 3245.87 |
| In % | 65.99% | 65.07% |

B. Value of Imports (CIF) Value

| | 2022-23 | 2021-22 |
|--------------------|---------------|---------------|
| Material purchased | 5,712.94lakhs | 4,742.94Lakhs |

C. Foreign Exchange

| | | |
|---------------------------|--|--|
| Foreign Exchange earnings | Sales Rs. 16.14lakhs USD 0.20lakhs | Sales Rs.21.79lakhs. USD 0.30lakhs |
|---------------------------|--|--|



For Sumax Engineering (P) Ltd.

Sudip Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

OUTGO - IMPORT PURCHASES

(Amt in Lakhs)

| FOREX | 2022-23 | | 2021-22 | |
|--------------|-----------------|-----------------|-----------------|-----------------|
| | Amount in Forex | Amount in Forex | Amount in Forex | Amount in INR |
| USD | 42.11 | 3,398.58 | 42.43 | 3,192.05 |
| EURO | 22.72 | 1,931.17 | 13.85 | 1215.97 |
| JPY | 632.39 | 382.18 | 503.92 | 334.92 |
| NZD | | | | |
| Total | 697.22 | 5,712.93 | 560.20 | 4,742.94 |

OUTGO - TRAVELLING EXPENSES

(Amt in Lakhs)

| FOREX | 2022-23 | | 2021-22 | |
|--------------|-----------------|---------------|-----------------|---------------|
| | Amount in Forex | Amount in INR | Amount in Forex | Amount in INR |
| USD | | | | |
| EURO | 0.01 | 0.81 | | |
| CNY | | | | |
| THB | 0.15 | 0.37 | | |
| Dirham | | | 0.06 | 1.28 |
| Total | 0.16 | 1.18 | 0.06 | 1.28 |

2.34 Contingent liabilities not provided for –towards Bank Guarantee 11.20lakhs (PYRs.11.20lakhs/-)

2.35 Capital Commitment for next financial year is Rs.50.73Lakhs.

2.36

a. The company has had no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

b. There are no transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

The Provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company for the year.



MJ

For Sumax Engineering (P) Ltd.

Sudip Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory

- d. The Company does not holds any Benami property and there are no proceedings against the company under the benami transaction (prohibition) Act 1988 (as amended from time to time.)
- e. Creation or satisfaction of charges are not pending for registration with Registrar of companies beyond the statutory period.
- f. The Company has not been declared as a wilful defaulter (as per RBI circular) by any bank or financial institution or any other lender at any time during the financial year or after the end of the reporting period.

2.37 Ratios as per requirements of Division I of Schedule III to the companies Act,2013 is disclosed in 'Annexure-A' enclosed.

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

Mayank
(Mayank Jain)



Partner
M.No. 225914
Place: Secunderabad
Date: 12th July, 2023

UDIN: 23225914BGVZMD9752

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 31-03-2023 and Profit & Loss account for the year ended on that date

Related party transaction for the year ended 31-03-2023

(in Lacs)

| Nature of Transaction | Associates | Key Management Personnel | Individual having significant influence | Relatives of Key Management Personnel |
|---|------------|--------------------------|---|---------------------------------------|
| Rent | | | | |
| Vimla Mehta | | 7.66 (7.29) | | |
| Sudeep Mehta | | 0.81 | | |
| Smriti Mehta | | - | | 0.81 (3.01) |
| Remuneration Paid | | | | |
| Sudeep Mehta | | 120.00 (120.00) | | |
| Keiji Nakajima | | - (2.00) | | |
| Smriti Mehta | | | | 12.00 (12.00) |
| Sumer Chand Mehta | | | | 13.00 (12.00) |
| Vimala Mehta | | 10.80 (8.80) | | |
| Bonus Paid | | | | |
| Sudeep Mehta | | 62.77 (40.00) | | |
| Interest Paid | | | | |
| Sumer Chand Mehta | | | | 25.28 (20.97) |
| Vimala Mehta | | - (3.01) | | |
| Unsecured Loan taken | | | | |
| Sumer Chand Mehta | | | | 75.00 (66.58) |
| Unsecured Loan Repaid | | | | |
| Sumer Chand Mehta | | | | 19.38 (32.34) |
| Unsecured Loan Taken (Maximum Balance) | | | | |
| Sumer Chand Mehta | | | | 297.25 (218.88) |



For Sumax Engineering (P) Ltd.

Sudeep Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta
Authorised Signatory

| | | | | |
|--|--------------------|--|--|--|
| Purchases | | | | |
| Autokrom India P Ltd | 707.45 (171.46) | | | |
| Sales | | | | |
| Auto Krom India P Ltd | 77.32 (81.29) | | | |
| Balances outstanding at the end of the year : | | | | |
| Trade Payable | | | | |
| Auto Krom India Private Ltd | - | | | |

* Figures in bracket represent previous year figures

For Dagliya & Co.

Chartered Accountants

Firm's registration no. 006715

Mayank
(Mayank Jain)

Partner

Membership No. 225914

Place: Secunderabad

Date: 12th July, 2023

For and on behalf of the Board of Directors

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

Sudeep Mehta

Sudeep Mehta
(Director)
Authorised Signatory

Din 00483072

Vimala Mehta

Vimala Mehta
(Director)
Authorised Signatory

Din 00482904



SUMAX ENGINEERING PRIVATE LIMITED

(All amounts are in rupees lakhs, except share data and where otherwise stated)

Annexure-A

| | As at 31st March 2023 | As at 31 March 2022 | % Variance |
|--|--------------------------|------------------------|------------|
| Current Assets | 3,701.92 | 3,126.44 | |
| Current Liabilities | 1,228.56 | 1,045.76 | |
| Current Ratio | 3.01 | 2.99 | 1% |
| Reason for Variance- Trade Payable and Cash Credit a/c balance has reduced as compared to last year. | | | |
| Debt - Total Liabilities | 1,351.49 | 1,194.17 | |
| Equity - Share Holders Funds | 3,200.85 | 2,701.65 | |
| Debt Equity Ratio | 0.42 | 0.44 | -4% |
| Reason for Variance- Trade Payable and Cash Credit a/c balance has reduced as compared to last year. | | | |
| Profit Before Tax | 693.91 | 383.52 | |
| Add: Interest Costs | 55.86 | 44.08 | |
| Add: Depreciation and Amortisation | 92.79 | 85.24 | |
| EBITDA | 842.56 | 512.84 | |
| Interest Cost | 55.86 | 44.08 | |
| Principal Repayment | 19.38 | 166.46 | |
| Debt Service | 75.24 | 210.54 | |
| Debt Service Coverage Ratio | 0.09 | 0.41 | -78% |
| Reason for Variance- Repayment of unsecured loan has reduced as compared to last year. | | | |
| Profit/Loss for the period | 499.20 | 275.65 | |
| Equity - Share Holders Funds | 3,200.85 | 2,701.65 | |
| Return on equity ratio | 0.16 | 0.10 | 53% |
| Reason for Variance- PAT has increased as compared to last year. | | | |
| Turnover | 12,682.09 | 9,381.84 | |
| Opening Inventory | 1,795.08 | 1,490.03 | |
| Closing Inventory | 2,086.51 | 1,795.08 | |
| Average Inventory | 1,940.80 | 1,642.56 | |
| Inventory Turnover Ratio | 6.53 | 5.71 | 14% |
| Turnover | 12,682.09 | 9,381.84 | |
| Opening Receivables | 1,010.93 | 1,241.24 | |
| Closing Receivables | 1,319.02 | 1,010.93 | |
| Average Receivables | 1,164.97 | 1,126.08 | |
| Trade Receivables Turnover Ratio | 10.89 | 8.33 | 31% |
| Reason for Variance- Turnover has increased by 34.41% as compared to last year. | | | |



For Sumax Engineering (P) Ltd.

Sudip Kumar
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vinay Mehta
Authorised Signatory

| | | | |
|--|--------------|--------------|------------|
| Total Purchases | 10,131.16 | 7,450.61 | |
| Opening Trade Payables | 498.52 | 696.49 | |
| Closing Trade Payables | 584.64 | 498.52 | |
| Average Payables | 541.58 | 597.50 | |
| Trade Payables Turnover Ratio | 18.71 | 12.47 | 50% |
| Reason for Variance- Purchases has been increased and also repayment of trade payables has decreased as compared to last year | | | |
| Turnover | 12,682.09 | 9,381.84 | |
| Opening Working Capital | 2,080.68 | 1,783.16 | |
| Closing Working Capital | 2,473.36 | 2,080.68 | |
| Average Working Capital | 2,277.02 | 1,931.92 | |
| Net Capital Turnover Ratio | 5.57 | 4.86 | 15% |
| Turnover | 12,682.09 | 9,381.84 | |
| Net Profit for the year | 499.20 | 275.65 | |
| Net Profit Ratio | 0.04 | 0.03 | 34% |
| Reason for Variance- PAT has increased as compared to last year. | | | |
| EBITDA | 842.56 | 512.84 | |
| Less: Depreciation & Amortisation | 92.79 | 85.24 | |
| EBIT | 749.77 | 427.60 | |
| Tangible Net Worth | 3,200.85 | 2,701.65 | |
| Total Debt | 1,351.49 | 1,194.17 | |
| Deferred Tax Liability | -41.64 | -37.24 | |
| Net Capital Employed | 4,510.70 | 3,858.58 | |
| Return on Capital Employed | 0.17 | 0.11 | 50% |
| Reason for Variance- PAT has increased as compared to last year. | | | |

For Sumax Engineering (P) Ltd.

Sudheep Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory



SUMAX ENGINEERING PRIVATE LIMITED
ASST YEAR 2023-24

1

ACCOUNTING RATIOS WITH CALCULATION

| | | | | |
|----------------------------|---|------------------------------|---------|--------|
| a. Gross Profit/Turnover | : | $\frac{2,441.47}{12,682.09}$ | x 100 = | 19.25% |
| b. Net Profit/Turnover | : | $\frac{693.91}{12,682.09}$ | x 100 = | 5.47% |
| c. Stock in Trade/Turnover | : | $\frac{1,358.61}{12,682.09}$ | x 100 = | 10.71% |

TRADING ACCOUNT

| PARTICULARS | AMOUNT | PARTICULARS | AMOUNT |
|-------------------------|-----------|------------------|-----------|
| To Opening Stock | 883.59 | By Sales | 12,682.09 |
| To Purchases (Trading) | 4,744.13 | By Closing Stock | 1,358.61 |
| To Cost of Raw Material | 5,971.52 | | |
| To Gross Profit | 2,441.47 | | |
| | 14,040.70 | | 14,040.70 |

For Sumax Engineering (P) Ltd.

Sudip Mehta
Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta
Authorised Signatory

SUMAX ENGINEERING PRIVATE LIMITED

DETAILS OF DEFERRED TAX :

| | 31/03/2023 | 31/03/2022 |
|--|---------------|---------------|
| A) Fixed Assets | | |
| Net Block as per Books | 735.31 | 560.92 |
| Less: | | |
| Land | 76.92 | 76.92 |
| CPWIP | <u>-</u> | <u>76.92</u> |
| Adjusted Net Block | <u>658.39</u> | <u>484.01</u> |
| Net Block as per Income Tax | <u>742.75</u> | <u>567.31</u> |
| | 84.36 | 83.31 |
| Deferred Tax Liability@ 27.82% | 23.47 | 23.18 |
| B) Gratuity | 65.33 | 50.56 |
| Deferred Tax Asset@ 27.82% | 18.17 | 14.07 |
| Net Deferred Tax (Liability)/Assets (A+B) | 41.64 | 37.24 |
| Opening Deferred Tax Liability | 37.24 | 34.28 |
| Provision to be made in the accounts | 4.40 | 2.96 |
| Break up of Provision Requires | | |
| Deferred Tax Assets relating to Gratuity | 4.11 | 2.32 |
| Deferred Tax Liability relating to FA | 0.29 | 0.64 |

For Sumax Engineering (P) Ltd.

Sudhakar m...
 Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla mehta
 Authorised Signatory

M/S SUMAX ENGINEERING PRIVATE LIMITED
 ASSTT YEAR 2023-24

1 DETAIL OF UNSECURED LOAN TAKEN

| Name | Opening Bal | Taken | Repaid | Interest | Interest Paid | TDS | CI Bal | Max Bal |
|---------------------------------------|---------------|--------------|--------------|--------------|---------------|-------------|---------------|---------------|
| From Shareholder Sumer Chand Mehta | 218.88 | 75.00 | 19.38 | 25.28 | - | 2.53 | 297.25 | 297.25 |
| Total | 218.88 | 75.00 | 19.38 | 25.28 | - | 2.53 | 297.25 | 297.25 |

For Sumax Engineering (P) Ltd.

Suddeep Mehta

Authorised Signatory

For Sumax Engineering (P) Ltd.

Vimla Mehta

Authorised Signatory