

# **Sumeet** **INDUSTRIES LIMITED**

CIN : L45200GJ1988PLC011049

REGD. OFF. : 504, TRIVIDH CHAMBER, 5TH FLOOR, OPP. FIRE BRIGADE STATION, RING ROAD, SURAT 395 002, INDIA.

Phone : (91-261) 2328902 Fax : (91 261) 2334189

E-mail : info@sumeetindustries.com Visit us at : sumeetindustries.com

**Date : 18.05.2017**

**To,**  
**Department of Corporate Services**  
**BSE Limited**  
**Phiroze Jeejeebhoy Towers,**  
**Dalal Street, FORT,**  
**Mumbai - 400 001**  
**Scrip Code - 514211**

**To,**  
**National Stock Exchange of India Ltd**  
**Exchange Plaza,**  
**Bandra Kurla Complex,**  
**Bandra (E),**  
**Mumbai : 400 051**  
**Symbol - SUMEETINDS**

**Sub. : OUT COME OF BOARD MEETING**

**Dear Sir/Madam,**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of its meeting held today i.e. 18th May, 2017, approved the Audited Standalone and Consolidated Financial Result of the Company for the quarter and year ended March 31, 2017. The said Audited Standalone and Consolidated Financial Results have been reviewed by the Audit committee and approved by the Board of Directors.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing following:

- 1 Standalone and Consolidated Audited Financial Results for the quarter and year ended March 31, 2017
2. Statement of Assets and Liabilities for the financial year ended March 31, 2017
3. Auditors report on the Audited Standalone and Consolidated financial results for the quarter and financial year ended March 31, 2017; and



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4. Declaration on Auditors Report with Unmodified Opinion under Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record please.

Thanking You.

**For SUMEET INDUSTRIES LIMITED**



**COMPANY SECRETARY**  
**(ANIL KUMAR JAIN)**



**Encl. As above**

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Part I								(₹ in Lakhs)
STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017								
	PARTICULARS	STANDALONE				CONSOLIDATED		
		QUARTER ENDED		YEAR ENDED		YEAR ENDED		
		31/03/17	31/12/16	31/03/16	31/03/17	31/03/16	31/03/17	31/03/16
		Audited	Un- Audited	Audited	Audited	Audited	Audited	Audited
1	<b>Income from operations</b>							
	(a) Net Sales/Income from Operations	29632.91	28215.38	34907.71	119801.51	105248.48	140575.08	123540.79
	(b) Other Operating Income	-	-	-	-	-	-	-
	<b>Total Income from operations (net)</b>	<b>29632.91</b>	<b>28215.38</b>	<b>34907.71</b>	<b>119801.51</b>	<b>105248.48</b>	<b>140575.08</b>	<b>123540.79</b>
2	<b>Expenses</b>							
	(a) Cost of materials consumed	16371.46	21010.91	15731.78	51339.48	52776.84	51339.48	52776.84
	(b) Purchases of stock-in-trade	6342.06	1847.67	12772.57	43087.46	28829.17	63517.00	46697.89
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(312.45)	-726.59	-354.41	-429.85	-405.66	-429.85	-405.66
	(d) Employee benefits expense	741.11	339.56	467.26	1667.55	1311.61	1688.08	1311.61
	(e) Depreciation and amortisation expense	521.83	512.00	518.57	2046.33	2013.57	2047.13	2013.57
	(f) Other expenses	3699.42	2891.92	3692.09	12512.69	13394.52	12545.46	13428.91
	<b>Total Expenses</b>	<b>27363.43</b>	<b>25875.47</b>	<b>32827.86</b>	<b>110223.66</b>	<b>97920.05</b>	<b>130707.30</b>	<b>115823.16</b>
3	<b>Profit / (Loss) from Operations before other Income, finance costs and exceptional Items (1-2)</b>	<b>2269.48</b>	<b>2339.91</b>	<b>2079.85</b>	<b>9577.85</b>	<b>7328.43</b>	<b>9867.78</b>	<b>7717.63</b>
4	Other Income	458.60	102.72	187.97	729.50	-329.32	966.30	-299.32
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3+4)</b>	<b>2728.08</b>	<b>2442.63</b>	<b>2267.82</b>	<b>10307.35</b>	<b>6999.11</b>	<b>10834.08</b>	<b>7418.31</b>
6	Finance costs	1684.70	1036.86	1189.77	4822.47	4161.08	5094.71	4357.51
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5-6)</b>	<b>1043.38</b>	<b>1405.77</b>	<b>1078.05</b>	<b>5484.88</b>	<b>2838.03</b>	<b>5739.37</b>	<b>3060.80</b>
8	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	<b>Profit / (Loss) from ordinary activities before tax (7+8)</b>	<b>1043.38</b>	<b>1405.77</b>	<b>1078.05</b>	<b>5484.88</b>	<b>2838.03</b>	<b>5739.37</b>	<b>3060.80</b>
10	Tax expense	353.70	381.65	750.69	1812.13	1153.57	1831.36	1168.92
11	<b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>689.68</b>	<b>1024.12</b>	<b>327.36</b>	<b>3672.75</b>	<b>1684.46</b>	<b>3908.01</b>	<b>1891.88</b>
12	Extraordinary Items (net of tax ₹ expense)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit(+)/ Loss(-) for the period (11-12)</b>	<b>689.68</b>	<b>1024.12</b>	<b>327.36</b>	<b>3672.75</b>	<b>1684.46</b>	<b>3908.01</b>	<b>1891.88</b>



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14	Share of Profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)</b>	<b>689.68</b>	1024.12	327.36	<b>3672.75</b>	1684.46	<b>3908.01</b>	1891.88
17	Paid-up equity share capital (Face Value of ₹10/- per Share)	<b>5803.97</b>	5803.97	5803.97	<b>5803.97</b>	5803.97	<b>5803.97</b>	5803.97
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	<b>21991.22</b>	18318.46	<b>22937.87</b>	19045.27
19.i	Earnings Per Share (before extraordinary items) (of ₹10/- each) (not annualised):							
	(a) Basic	<b>1.19</b>	1.76	0.56	<b>6.33</b>	2.90	<b>6.73</b>	3.26
	(b) Diluted	-	-	-	-	-	-	-
19.ii	Earnings Per Share (after extraordinary items) (of ₹10/- each) (not annualised):							
	(a) Basic	<b>1.19</b>	1.76	0.56	<b>6.33</b>	2.90	<b>6.73</b>	3.26
	(b) Diluted	-	-	-	-	-	-	-

FOR SUMEET INDUSTRIES LIMITED

Place : Surat

Date: 18/05/2017



*Shankarlal Somani*

SHANKARLAL SOMANI

CHAIRMAN

# Sumeet INDUSTRIES LIMITED

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## STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017 (₹ in Lakhs)

	Particular	STANDALONE		CONSOLIDATED	
		31/03/17	31/03/16	31/03/17	31/03/16
		Audited	Audited	Audited	Audited
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Shareholders' funds</b>				
	(a) Share Capital	8803.97	8803.97	8803.97	8803.97
	(b) Reserves and Surplus	21991.22	18318.46	22937.87	19045.27
	(c) Money received against share warrants	-	-	-	-
	<b>Sub-total - Shareholders' funds</b>	<b>30795.19</b>	<b>27122.43</b>	<b>31741.84</b>	<b>27849.24</b>
<b>2</b>	<b>Share application money pending allotment</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>3</b>	<b>Minority Interest</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>4</b>	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	14143.62	17950.86	14143.62	17950.86
	(b) Deferred tax liabilities (net)	7403.30	5747.03	7403.30	5747.03
	(c) Other long-term liabilities	-	-	-	-
	(d) Long-term provisions	-	-	-	-
	<b>Sub-total - Non-current liabilities</b>	<b>21546.92</b>	<b>23697.89</b>	<b>21546.92</b>	<b>23697.89</b>
<b>5</b>	<b>Current liabilities</b>				
	(a) Short-term Borrowing	30281.56	28187.29	30281.56	28274.95
	(b) Trade payables	5461.19	11424.30	11321.90	18185.26
	(c) Other current liabilities	2349.89	2582.31	2352.68	2582.31
	(d) Short-term provisions	1771.23	659.24	1805.12	718.00
	<b>Sub-total - Current liabilities</b>	<b>39863.87</b>	<b>42853.14</b>	<b>45761.26</b>	<b>49760.52</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>92205.98</b>	<b>93673.46</b>	<b>99050.02</b>	<b>101307.65</b>
<b>B</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Fixed assets	40200.88	41448.32	40200.88	41448.32
	(b) Goodwill on consolidation	0.00	0.00	0.00	0.00
	(c) Non-current investments	2544.96	2592.29	599.47	604.64
	(d) Deferred tax assets (net)	-	-	-	-
	(e) Long-term loans and advances	236.51	219.61	236.51	219.61
	(f) Other non-current assets	-	-	-	-
	<b>Sub-total - Non-Current assets</b>	<b>42982.35</b>	<b>44260.22</b>	<b>41036.86</b>	<b>42272.57</b>
<b>2</b>	<b>Current assets</b>				
	(a) Current investments	-	-	-	-
	(b) Inventories	21460.53	20117.56	21460.53	20117.56
	(c) Trade receivables	15700.09	17601.52	23470.21	26150.26
	(d) Cash and cash equivalents	3667.42	3150.38	4647.13	4209.98
	(e) Short-term loans and advances	3598.83	5097.00	3598.83	5097.00
	(f) Other current assets	4796.78	3446.78	4836.46	3460.28
	<b>Sub-total Current assets</b>	<b>49223.65</b>	<b>49413.24</b>	<b>58013.16</b>	<b>59035.08</b>
	<b>TOTAL - ASSETS</b>	<b>92206.00</b>	<b>93673.46</b>	<b>99050.02</b>	<b>101307.65</b>



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## **NOTES :-**

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the company at its meeting held on 18th May, 2017. The Statutory Auditor have carried out audit of the result for the quarter and year ended 31st March, 2017. The Statutory Auditor have issued an unqualified audit opinion on the financial results.
- 2 The Annual Consolidated financial results have been prepared by consolidating the Companies' Audited Annual Accounts for the financial year 2016-17 with the annual accounts of its wholly owned subsidiary company named "Sumeet Global Pte Ltd" Singapore.
- 3 Figures for the quarter ended 31st March, 2017 and 31st March, 2016 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2017 and 31st March, 2016 and the unaudited published year to date figures up to 31st December, 2016 and 31st December, 2015 respectively being the dates of the end of the third quarters of the financial years which were subjected to limited review.
- 4 The Company is operating in Textile Business only therefore, there is only one reportable segment in accordance with the Accounting Standards AS-17 issued by ICAI.
- 5 Tax expenses include deferred tax and is after adjusting MAT credit entitlement.
- 6 The figures of previous period are regrouped/reclassified wherever necessary to correspond to the figures of the current reporting period.

Place : Surat

Date: 18/05/2017



**FOR SUMEET INDUSTRIES LIMITED**

**SHANKARLAL SOMANI**

**CHAIRMAN**

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**Date : 18.05.2017**

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Scrip Code - 514211

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National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai : 400 051  
Symbol - SUMEETINDS

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

**Dear Sir/Madam,**

In compliance with the provision of Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no.CIR/CFD/CMD/56/2016 Dated 27th May, 2016, I hereby declare that Pradeep Singhi & Associates, Chartered Accounts (FRN No. 108029W) Statutory Auditors of the Company have issued an audit report with unmodified opinion on audited financial results (Standalone & Consolidated) of the Company for the quarter and year ended March 31, 2017

Thanking You.

**For SUMEET INDUSTRIES LIMITED**



**COMPANY SECRETARY  
(ANIL KUMAR JAIN)**



SUMEET INDUSTRIES LIMITED

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

TO THE MEMBERS OF THE SUMEET INDUSTRIES LIMITED  
REPORT ON THE STANDALONE FINANCIAL STATEMENTS

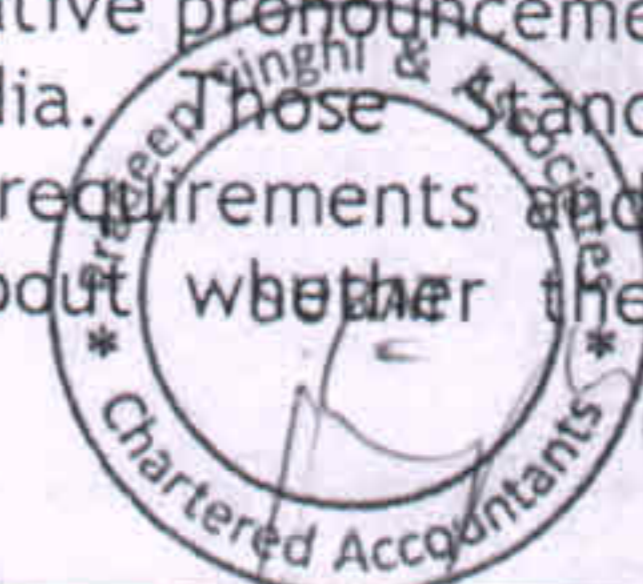
1. I have audited the accompanying standalone financial statements of The Sumeet Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

2. 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 standalone financial statements to give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. My responsibility is to express an opinion on these standalone financial statements based on my audit.
4. I have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

#### 8. Opinion

- a. *The balances for Sundry Debtors, Sundry creditors, loans & advances, bank balances, statutory and other liabilities as on 31<sup>st</sup> March' 2017 are subject to confirmation. The figures reported in the financial statement are as per the ledger account.*
- b. *I have relied on the information & documents submitted to me by management for physical verification of stores & spares, Fixed assets.*

Subject to above paragraph (a) and (b) and paragraph mentioned under Report on Other Legal and Regulatory Requirements under paragraph 10(d) relating to non-compliance of Accounting Standard, in my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone 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,

- a. *in the case of the Balance Sheet, of the state of affairs of the Company for the year ended on 31<sup>st</sup> March, 2017;*
- b. *in the case of the Profit and Loss Account, of the profit/ loss for the year ended on 31<sup>st</sup> March, 2017; and*
- c. *in the case of the Cash Flow Statement, of the cash flows for the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017 on that date*

#### Report on Other Legal and Regulatory Requirements

9. 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 Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as I considered appropriate and according to the information and explanations given to me, I give in the "*Annexure-A*" a statement on the matters specified in paragraphs 3 and 4 of the Order.

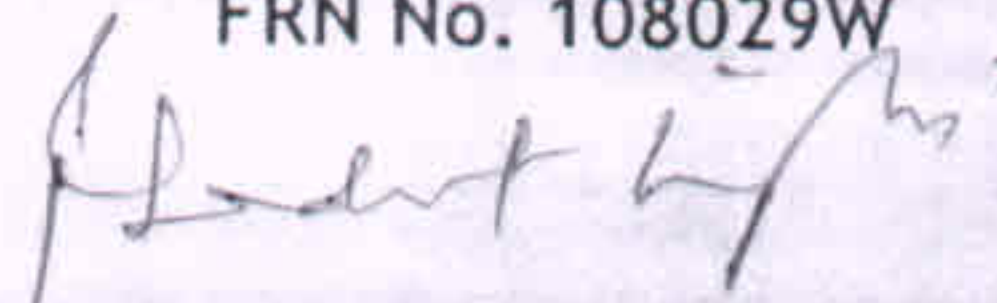


10. As required by Section 143 (3) of the Act, I report that:

- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my 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 my opinion, the aforesaid standalone 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 the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my knowledge and belief and according to the information and explanations given to me:
  1. As per the information provided to me, the Company did not have any provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.
  2. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company.

FOR PRADEEP SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 108029W



  
(PRADEEP KUMAR SINGHI)  
PROPRIETOR  
M.NO.024612

PLACE: SURAT  
DATED: 18<sup>th</sup> May 2017

SUMEET INDUSTRIES LIMITED

As required by the companies (Auditor's Report) order, 2004 and according to the information and explanations given to me during the course of audit and on the basis of such checks as were considered appropriate, I report that;

Annexure 'A' to the Auditors Report

S. No.	Particulars	Auditors Remark
(i)	(a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes. Company is maintaining proper records of fixed assets.
	(b) Whether these fixed assets have been physically verified by the management at reasonable intervals;	Yes, fixed assets have been physically verified at regular intervals.
	whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	No, material discrepancies have been noticed on such verification.
	(c) Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	Yes.
(ii)	(a) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account.	Yes, physical verification has been conducted except material lying with third parties, where confirmations are obtained.
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so,	No loans have been granted to the companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013 during the year under audit.



	(a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest	Yes.
	(b) Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	Yes.
	(c) If overdue amount is more than rupees five lakhs, whether reasonable steps have been taken by the company for recovery of the principal and interest	Yes.
(iv)	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	Yes, all the compliances have been followed by the company.
(v)	In case the company has accepted deposits, whether 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, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	Yes, all the compliances have been followed by the company.
(vi)	Where maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been made and maintained;	Yes.
(vii)	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	Yes, the company is regular.



	(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	<p>1. Assessment for A.Y. 2009-10 to A.Y. 2015-16 is pending with ACIT Central Circle - II.</p> <p>2. An appeal is pending before Commissioner of Central Excise, Custom and Service Tax (Appeals) Surat-II for F.Y. 2008-09 and amount involved is Rs.1,19,55,863/- (Including Interest and Penalty)</p>
(viii)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided).	No, default has been made in repayment of dues.
(ix)	Whether moneys raised by way of public issue/ follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported;	<p>No Money has been raised by way of Public issue/ follow-on offer during the period.</p> <p>Term loans were applied for the purposes for which those are raised.</p>
(x)	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; if yes, the nature and the amount involved be indicated	No. Not Applicable
(xi)	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	Yes. Managerial Remuneration has been paid / provided in accordance with provisions of section 197 and under other rules.
(xii)	Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	Not Applicable
(xiii)	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting	Yes.



	standards and Companies Act, 2013.	
(xiv)	Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof.	During the year under consideration, no such allotment / placement has been made.
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	No. Not Applicable

PLACE: SURAT  
DATED: 18<sup>th</sup> May 2017



FOR PRADEEP SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 108029W

*(Signature)*  
(PRADEEP KUMAR SINGHI)  
PROPRIETOR  
M.NO.024612

PRADEEP SINGHI & ASSOCIATES  
Chartered Accountants

A/501 "PRESIDENT PLAZA"  
NEAR RTO OFFICE, RING  
ROAD  
SURAT - 395 001  
Ph. No.2474714, 2474954

SUMEET INDUSTRIES LIMITED

Annexure - B to the Auditors' Report

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

I have audited the internal financial controls over financial reporting of Sumeet Industries Limited ("the Company") as of 31 March 2017 in conjunction with my audit of the standalone 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 issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility:

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the



"Guidance Note") and the Standards on Auditing, issued by ICAI and 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 I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 authorisations of management and directors of the company; and



- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

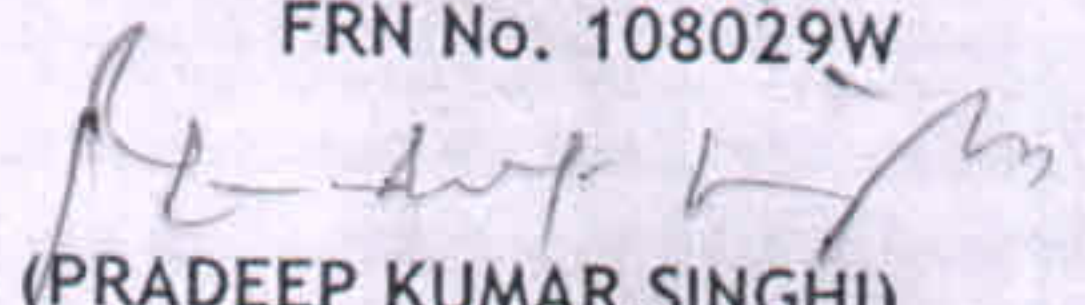
**Opinion:**

Subject to our qualification & other comments of my main report, in my 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 31 March 2017, 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: SURAT  
DATED: 18<sup>th</sup> May 2017



FOR PRADEEP SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 108029W

  
(PRADEEP KUMAR SINGHI)  
PROPRIETOR  
M.NO.200/24612

SUMEET INDUSTRIES LIMITED

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**Report on the Financial Statements:**

I have audited the accompanying consolidated financial statements of SUMEET INDUSTRIES LIMITED. ("the holding company") and its subsidiary (the holding, and its subsidiary referred to as "the group"), which comprise the consolidated Balance Sheet as at 31 March 2017, being submitted by the holding company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015 as modified by the circular no. CIR/CFD/FAC/ 62/2016 dated July 5, 2016.

the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



### **Auditors' Responsibility:**

My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the consolidated financial statements.

### **Auditor's Opinion:**

In my opinion and to the best of my information and according to the explanations given to me, the consolidated 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:

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the group for the year ended on 31st March, 2017;
- b) in the case of the consolidated Profit and Loss Account, of the profit/ loss for the year ended on 31st March, 2017; and
- c) in the case of the consolidated Cash Flow Statement, of the cash flows for the period from 1st April, 2015 to 31st March, 2017 on that date

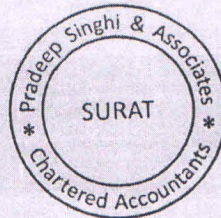


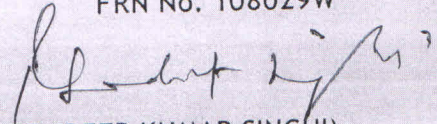
**Other Matter:**

I did not audit the financial statement of one subsidiary naming "*Sumeet Global PTE Limited*" included in the consolidated financial statements, which constitute (all figures after intercompany eliminations) the total assets of Rs. 990 lacs as at 31<sup>st</sup> March, 2017, total revenue of Rs. 1406 lacs, net profit (before tax) of Rs. 5738 lacs for the period ended on that date, as considered in the consolidated financial statements.

The financial statement and other financial information of subsidiary company have been audited by other auditors whose reports have been furnished to us by the Management, and my opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosure included in respect of this subsidiary and associate, and my report in terms of sub-section (3)n and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the report of the other auditors.

FOR PRADEEP SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 108029W



  
(PRADEEP KUMAR SINGHI)  
PROPRIETOR  
M.NO.024612

PLACE: SURAT

DATED: 18<sup>th</sup> May 2017