



## **AJAY PALIWAL & CO**

CHARTERED ACCOUNTANTS

418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001

TEL- 0294 2430466, E Mail-ajayhpaliwal@gmail.com

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### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Sah Polymers Limited**

**Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of Sah Polymers Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, Statement of changes in equity 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity 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.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report along with its Annexures and Financial Highlights included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.





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Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.





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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company 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.

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





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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 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, in terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure - "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(ii) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our 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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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





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

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the 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(s) or entity(ies), 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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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





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(c) Based on such audit procedures that the auditor has 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 (i) and (ii) contain any material misstatement.

(v) During the year the Company has neither declared nor paid any dividend.

For AJAY PALIWAL & Co.  
Chartered Accountants  
Firm's Registration NO.: 12345C

Ajay Paliwal  
Proprietor

M No. 403290

UDIN: 22403290AMPENE 8778

Place of signature: Udaipur

Date: May 27, 2022





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**Annexure - A to the Independent Auditor's Report (Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars Intangible Assets.

(b) These property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer; specifying the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, 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, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statement does not arise.

(ii) (a) The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with the third parties, these have substantially been confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year 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 and the quarterly returns or statements filed by the Company with such bank or financial institutions are in agreement with the books of account of the Company.





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(iii) During the year the Company has made investments in and granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity,

a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity

Loan to	Aggregate amount during the year Rs. In lakhs	Amount outstanding as on 31/03/2022 Rs. In lakhs
(A) Subsidiaries, Joint Venture and Associates	0.00	0.00
(B) Others	15045.17	696.61

(b) the Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year 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 overdue of existing loans given to the same parties.

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;



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Aggregate amount (Rs. In lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ( Rs. In lakhs)
696.61	100	NIL

(iv) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans granted, investments made, guarantees, and security provided;

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the question of complying with Sections 73 and 76 of the Companies Act, 2013 does not arise. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Companies Act, 2013. According to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.

(vi) The maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of products of the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, details of statutory dues referred to in sub-clause (a) have not been deposited as on 31<sup>st</sup>, March, 2022 on account of disputes are given below:

Name of statutes	Nature of dues	Amount Rs. In lakhs	The period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax demand	1.61 (Net of deposit)	Fy 2013-14	CIT (Appeal)





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(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), that has not been recorded in the books of account.

(ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedure 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 utilised for long term purposes by the Company.

(e) According to the information and explanations given to us, and the procedure performed by us, 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 subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, and the procedure performed by us, we report that the company has not raised loans during the year on the pledged of securities held in its subsidiaries, joint venture or associate companies.

(x) (a) The company has raised no moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x) (a) of the Order is not applicable

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.





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(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, was not required to be filed with the Central Government. Accordingly, reporting under clause 3(xi) (b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us and as represented by the Management, the Company has received no whistle -blower complaints during the year. Accordingly, reporting under clause 3(xi) (c) of the Order is not applicable to the Company.

(xii) (a) As the Company is not a Nidhi company, therefore, the clauses (xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 of the Act.

(xiv) (a) In our opinion and According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit were considered by us.

(xv) The company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);

(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 the Reserve Bank of India Act, 1934; Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the Management of the Company, the Group does not have any CIC, which is part of the Group. We have not, however, separately evaluated whether the information provided by the





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management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.

(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, the reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanation given to us and on the basis of the financial ratios (also refer Note 57 to the financial statements), 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 assumption, 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 Company is capable of meeting its liabilities existing at the date of balance sheet as 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 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) Provisions of section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the reporting under clauses (xx)(a) and (b) of the Order are not applicable to the Company.

(xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For AJAY PALIWAL & Co.  
Chartered Accountants  
Firm's Registration NO.12345C

Ajay Paliwal  
Proprietor  
M No. 403290  
UDIN: 22403290AMPEN  
Place of signature: Udaipur  
Date: May 27, 2022





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### **Annexure - B to the Independent Auditor's Report Report on the Internal Financial Controls with reference to financial statement 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 **SAH POLYMERS LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone Ind AS 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. 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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





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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 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 (Referred to in paragraph (ii) (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date) 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.





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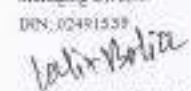


### Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2022, 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.

For AJAY PALIWAL & Co.  
Chartered Accountants  
Firm's Registration No. 12345C

Ajay Paliwal  
Proprietor  
M No. 403290  
UDIN: 22403290 AMPEN  
Place of signature: Udaipur  
Date: May 27, 2022



SAH POLYMERS LIMITED		BALANCE SHEET AS AT 31.03.2022		(Rs. in lakhs)	
Particulars	Note	As at 31.03.2022		As at 31.03.2021	
<b>ASSETS</b>					
(1) Non-current Assets					
(a) Property, Plant and Equipment	3		1,038.31		1,420.96
(b) Capital work-in-Progress	3		668.44		1.75
(c) Investment Property			-		-
(d) Goodwill			-		-
(e) Other Intangible Assets	3		1.70		3.53
(f) Intangible assets under development			-		-
(g) Biological Assets other than bearer plants			-		-
(h) Financial Assets					
(i) Investments	4	560.78	-	-	-
(ii) Trade receivables		-	-	-	-
(iii) Loans		-	-	-	-
(iv) Others	5	58.52	620.30	56.63	56.63
(j) Deferred tax assets (net)		-	-	-	-
(k) Other non-current assets	6		147.80		1.57
(2) Current assets					
(a) Inventories	7		1,063.31		571.56
(b) Financial Assets					
(i) Investments			-	969.23	-
(ii) Trade receivables	8	1,217.83	-	194.30	-
(iii) Cash and cash equivalents	9	128.15	-	50.63	-
(iv) Bank balances other than (iii) above	10	39.22	-	690.00	-
(v) Loans	11	696.61	2,103.81	-	1,904.16
(vi) Others		-	1.70	-	1.79
(c) Current Tax Assets (Net)	12		155.67		95.90
(d) Other current assets	13		-		-
<b>Total Assets</b>			<b>6,199.20</b>		<b>4,057.85</b>
<b>EQUITY</b>					
(a) Equity Share Capital	14	1,559.60		1,559.60	
(b) Other Equity	15	821.14	2,380.74	449.15	2,008.75
<b>LIABILITIES</b>					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	16	131.19		89.67	
(ia) Lease liabilities		-		-	
(ii) Trade payables		-		-	
(iii) Other financial liabilities (other than those specified in item (b))		-	131.19	-	89.67
(b) Provisions		-	-	-	-
(c) Deferred tax liabilities (Net)	17		145.48		142.67
(d) Other non-current liabilities			-		-
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings	18	2,749.77		1,289.56	
(ia) Lease liabilities		-		-	
(ii) Trade payables	19				
(A) Total outstanding dues of micro enterprises and small enterprises		-		-	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		578.96		340.91	
(iii) Other financial liabilities (other than those specified in item (c))		-	3,328.73	-	1,630.53
(d) Other current liabilities	20		110.73		164.25
(e) Provisions	21		-		4.32
(f) Current Tax Liabilities (Net)	22		96.33		17.66
<b>Total Equity and Liabilities</b>			<b>6,199.20</b>		<b>4,057.85</b>
See accompanying notes to the financial statements - 1 to 63					
As per our Audit report of even date attached.					
for and on behalf of AJAY PALIWAL & CO. Chartered Accountants FRN: 012748 AJAY PALIWAL Proprietor M.No. 403290 Udaipur, May 27, 2022			for and on behalf of the Board ASAD SAUD Managing Director DIN: 02491538 LALIT KUMAR BOLIA Chief Financial Officer		
			   		
UDIN: 22403290AMPENE8778					



## SAH POLYMERS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2022

(Rs. in lakhs)

Particulars	Note	As at 31.03.2022		As at 31.03.2021	
		Amount in Rupees		Amount in Rupees	
I Revenue from operations	23		7,572.75		5,506.99
II Other income	24		74.03		27.43
III Total Income (I+II)			7,646.78		5,534.42
IV Expenses:					
Cost of Materials consumed	25		4,656.21		3,120.30
Purchases of Stock-in-Trade	26		1,232.15		674.36
Changes in inventories of finished goods work-in-progress and Stock -in-Trade	27		(456.09)		56.42
Employee benefits expense	28		218.28		223.75
Finance costs	29		118.08		86.94
Depreciation and amortization expense	3		83.14		80.56
Other expenses	30		1,280.88		1,129.48
Total expenses			7,132.65		5,372.21
V Profit before exceptional items and tax(III-IV)			514.13		162.21
VI Exceptional items			-		-
VII Profit(loss) before tax (V-VI)			514.13		162.21
VIII Tax expense:					
(1) Current tax		108.90		27.07	
(2) Deferred tax		2.81	131.71	7.91	34.98
IX Profit(loss) for the period from continuing operation (VII-VIII)			402.42		127.23
X Profit(Loss) from discontinued operations.			-		-
XI Tax expense of discontinued operations			-		-
XII Profit(loss) from discontinued operation (X-XI)			-		-
XIII Profit(loss) for the period (IX+XII)			402.42		127.23
XIV Other Comprehensive Income					
A(i) Items that will not be reclassified to profit or loss			-		-
(ii) Income tax relating to item that will not be reclassified to profit or loss			-		-
B(i) Item that will be reclassified to profit or loss			-		-
XV (ii) Income tax relating to item that will be reclassified to profit or loss			-		-
XVI Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other Comprehensive Income for the period)			402.42		127.23
XVII Earnings per equity share:(for continued Operation):					
(1) Basic	31		2.58		0.82
(2) Diluted	31		2.58		0.82
XVIII Earnings per equity share:(for discontinued Operation):					
(1) Basic			-		-
(2) Diluted			-		-
XIX Earnings per equity share:(for discontinued & continuing operations)					
(1) Basic	31		2.58		0.82
(2) Diluted	31		2.58		0.82

See accompanying notes to the financial statements

1 to 63

As per our Audit report of even date attached.

for and on behalf of  
AJAY PALIWAL & CO.,  
Chartered Accountants

FRN : 0123450

AJAY PALIWAL

Proprietor

M.No. 403290

Udaipur, May 27, 2022

UDIN: 22403290 AMPENE8778



for and on behalf of the Board:

ASAD DAUD

Managing Director

DIN: 02491539

LALIT KUMAR BOLIA

Chief Financial Officer

HAKIM SADIQ ALI TIDIWALA

Wholetime Director

DIN: 00499556

MURTAZA ALI MOTI

CEO

**SAH POLYMERS LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31, March, 2022** (Rs. in lakhs)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit before tax	514.13	162.21
	Adjustments for:		
	Depreciation	83.14	80.96
	Interest Paid	115.93	82.25
	Interest received	(2.86)	(3.71)
	(Profit)/Loss on sale of property, plant and equipment	(0.09)	3.32
	provisions for gratuity		
	<b>Operating Profit before working capital changes</b>	<b>710.25</b>	<b>325.22</b>
	Adjustment for Changes in Working Capital:		
	Decrease/(Increase) in Trade Receivables	(248.60)	(69.22)
	Increase/(decrease) in other current liabilities and provision	(37.84)	77.66
	Increase in financial liabilities	-	25.47
	Increase in Loan	(6.61)	82.08
	Other bank Balances	(8.59)	15.06
	Increase/(Decrease) in Trade Payables	237.99	(107.14)
	Increase in other non current assets	(146.23)	7.53
	Non Current Financial assets	(2.89)	(3.81)
	Increase in other current assets	(59.77)	(24.13)
	Increase in tax assets	-	(1.79)
	Decrease/(Increase) in Stock	(491.76)	(10.80)
	<b>Cash Generated from Operations</b>	<b>(74.05)</b>	<b>148.77</b>
	Income Taxes Refund / (Paid)	30.23	9.85
	<b>Net Cash Inflow / (Out Flow) from Operation (A)</b>	<b>(104.28)</b>	<b>138.92</b>
<b>B</b>	<b>Cash Flow from Investing Activities:</b>		
	Sale of fixed assets	0.09	0.00
	Purchase of fixed assets	(98.72)	(235.22)
	WIP	(666.69)	(1.25)
	Acquisition of subsidiary	(560.78)	-
	Interest received	2.86	3.31
	<b>Net Cash Inflow/(Outflow) from investing Activities (B)</b>	<b>(1,323.24)</b>	<b>(233.86)</b>
<b>C</b>	<b>Cash flow from Financing Activities</b>		
	Repayment of borrowings	-	89.67
	Increase in borrowing	1,502.71	78.29
	Capital issue expenses	(24.43)	-
	Interest Paid	(115.93)	(82.25)
	<b>Net Cash Inflow / (Out Flow) from Financing Activities (C)</b>	<b>1,362.35</b>	<b>85.71</b>
	<b>Net Increase/Decrease in cash &amp; Cash equivalents (A+B+C)</b>	<b>(65.17)</b>	<b>(843)</b>
	<b>CASH AND CASH EQUIVALENTS</b>		
	As at the beginning of the year (Refer Note 9)	194.30	5029
	Cash and cash equivalent of amalgamating Company	-	5411
	Less : Cash Credit	690.54	59232
	As at the end of the year (Refer Note 9)	128.15	19430
	Less : Cash Credit	689.56	69054
	<b>Net Increase/Decrease in cash &amp; Cash equivalents</b>	<b>(65.17)</b>	<b>(843)</b>

As per As per our Audit Report Attached

Notes:-

1. The above Cash Flow Statement has been prepared under the "indirect Method" as set out in the Indian Accounting standard-7 "Cash Flow statement"

for and on behalf of  
**AJAY PALIWAL & CO.,**  
 Chartered Accountants  
 FRN : 012345

**AJAY PALIWAL**  
 Proprietor  
 M.No. 403290  
 Udaipur, May 27, 2022

**UDIN : 22403290 AMPENE 8778**



for and on behalf of the Board

**ASAD DAUD**  
 Managing Director  
 DIN:02491539

**LALEET KUMAR BOLIA**  
 Chief Financial Officer

**HAKIM SADIQ ALI TIDIWALA**  
 Wholetime Director  
 DIN : 00119156

**MURTAZA ALI MOTTI**  
 CEO

**SAH POLYMERS LIMITED**

Statement of Changes in equity

(1) Current reporting period:

Equity Share Capital	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due in prior period	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
For the year ended on 31/03/2022	1559.60	0	0.00	0.00	1559.60

(2) Previous reporting period:

	Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
For the year ended on 31/03/2021	1559.60	0	0.00	0.00	1559.60

Other equity

	Reserves and Surplus				Total
	Capital Reserve (on business combination)	Securities premium	General Reserve	Retained earnings	
Balance at the beginning of the reporting period - 01/04/2020	-	280.00	79.75	8.04	367.79
On amalgamation of subsidiary company	(59.00)	-	-	4.13	(45.87)
Profit for the year	-	-	-	127.23	127.23
Balance at the end of the reporting period - 31/03/2021	(50.00)	280.00	79.75	139.40	449.15
On amalgamation of subsidiary company	-	-	-	-	-
Profit for the year	-	-	-	402.42	377.99
Balance at the end of the reporting period - 31/03/2022	(50.00)	280.00	79.75	541.82	827.14

for and on behalf of  
AJAY PALIWAL & CO.,  
Chartered Accountants  
FRN : 012349A



AJAY PALIWAL  
Proprietor  
M.No. 402290

*(Signature)*

ASAD DAUD  
Managing Director  
PIN - 02491 339

*(Signature)*

HAKIM SADIQ ALI TEDIWALA  
Whole time Director  
PIN - 001 9156

*(Signature)*

LALIT KUMAR BEDIA  
Chief Financial Officer

*(Signature)*

MURTAZA ALI MOTTI  
Chief Executive Officer

Udaipur, May 27, 2022

**UDIN: 22403290 AMPENE 8778**

Rs. in lakhs

## SAH POLYMERS LIMITED

### Notes to the Financial Statements

#### 1. Company Information

Sah Polymers Limited (SPL) is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. SPL is engaged in the manufacture of HDPE/PP woven fabrics and sacks with annual production capacity of 6062 MT. The manufacturing capacities are situated at Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

#### 2. Significant Accounting Policies

##### Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

##### Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 - Share-based Payment, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

##### Operating Cycle

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 Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

##### Property, Plant and Equipment - Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.



The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years

No write off is made in respect of leasehold land.

Intangible Assets 5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

#### **Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

#### **Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

#### **Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.



### **Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

### **Investment in Subsidiary**

Investment in subsidiary is carried at cost less accumulated impairment, if any.

### **Financial Instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

### **Financial Assets**

#### **Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

#### **Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

#### **Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.



**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.



### **Employee Benefits**

- i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

#### **Defined Benefit Plans**

##### **Gratuity Fund**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

##### **Provident Fund**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

#### **iv) Other Long Term Employee Benefits**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

### **Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### **Company as a Lessee**

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.





**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period,

or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.



## **B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

### **2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

### **3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

### **4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



**SAH POLYMERS LIMITED**

From 01.04.2021 to 31.03.2022

Rs. in lakhs

**NOTE NO. - 3. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Tangible Assets		Intangible Assets							Total	
	Land	Building	Land/Freehold	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipment	ITC Sets	Tools and		Computer
<b>Year ended March, 2022</b>											
<b>GROSS CARRYING AMOUNT</b>											
Opening Gross Carrying Amount	29.57	412.07	115.45	1,583.68	14.94	22.06	22.26	57.28	1.16	13.24	2,271.71
Additions	-	17.63	0.31	70.11	0.79	0.87	1.24	-	-	4.50	98.72
Disposals/Adjustment	-	-	-	-	-	-	0.60	-	-	-	0.60
Closing Gross Carrying Amount	29.57	429.70	115.90	1,656.85	15.73	22.93	22.90	57.28	1.16	17.74	2,369.81
<b>ACCUMULATED DEPRECIATION</b>											
Opening Accumulated Depreciation	-	148.90	-	616.62	11.36	21.57	13.17	26.94	0.45	11.79	850.75
Depreciation charged during the year	-	15.83	-	69.36	0.63	0.10	2.03	3.51	0.04	1.77	81.37
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	0.60
Closing Accumulated Depreciation	-	164.73	-	686.08	11.99	21.67	15.20	30.45	0.49	13.56	931.52
<b>Net Carrying Amount</b>	<b>29.57</b>	<b>266.97</b>	<b>115.06</b>	<b>970.88</b>	<b>3.74</b>	<b>1.31</b>	<b>7.70</b>	<b>27.83</b>	<b>0.67</b>	<b>4.68</b>	<b>1,438.31</b>
<b>Year ended March, 2021</b>											
<b>GROSS CARRYING AMOUNT</b>											
Opening Gross Carrying Amount	29.57	412.07	-	1,482.37	13.90	23.96	14.94	57.28	1.16	12.03	2,049.58
Additions	-	-	115.45	111.46	1.04	-	3.32	-	-	1.21	232.48
Disposals/Adjustment	-	-	-	10.35	-	-	-	-	-	-	10.35
Closing Gross Carrying Amount	29.57	412.07	115.45	1,583.68	14.94	22.06	22.26	57.28	1.16	13.24	2,271.71
<b>ACCUMULATED DEPRECIATION</b>											
Opening Accumulated Depreciation	-	135.07	-	564.55	10.86	21.41	10.59	24.13	0.42	10.39	737.12
Depreciation charged during the year	-	13.83	-	58.30	0.50	0.11	2.58	2.31	0.03	1.60	79.26
Disposals/Adjustments	-	-	-	6.33	-	-	-	-	-	-	6.33
Closing Accumulated Depreciation	-	148.90	-	616.62	11.36	21.52	13.17	26.94	0.45	11.79	850.75
<b>Net Carrying Amount</b>	<b>29.57</b>	<b>266.97</b>	<b>115.45</b>	<b>967.06</b>	<b>3.58</b>	<b>0.54</b>	<b>9.09</b>	<b>30.34</b>	<b>0.71</b>	<b>1.45</b>	<b>1,428.96</b>

Particulars	Intangible Assets		Total
	Goodwill	Software	
<b>Year ended March, 2021</b>			
Opening Gross Carrying Amount	9.58	-	9.58
Additions	-	-	-
Disposals/Adjustments	-	-	-
Closing Gross Carrying Amount	9.58	-	9.58
<b>ACCUMULATED DEPRECIATION</b>			
Opening Accumulated Depreciation	6.05	-	6.05
Depreciation charged during the year	1.77	-	1.77
Disposals/Adjustments	-	-	-
Closing Accumulated Depreciation	7.82	-	7.82
<b>Net Carrying Amount</b>	<b>1.76</b>	<b>1.76</b>	<b>3.53</b>
<b>Year ended March, 2022</b>			
<b>GROSS CARRYING AMOUNT</b>			
Opening Gross Carrying Amount	6.84	-	6.84
Additions	2.74	-	2.74
Disposals/Adjustment	-	-	-
Closing Gross Carrying Amount	9.58	-	9.58
<b>ACCUMULATED DEPRECIATION</b>			
Opening Accumulated Depreciation	4.75	-	4.75
Depreciation charged during the year	1.30	-	1.30
Disposals/Adjustments	-	-	-
Closing Accumulated Depreciation	6.05	-	6.05
<b>Net Carrying Amount</b>	<b>3.53</b>	<b>3.53</b>	<b>7.06</b>



Particulars	NOTE NO. - 3 CAPITAL WORK IN PROGRESS				Owned Assets			Rs. In lakhs
	Building under construction	Pre operative Exp.	Tubewell	Furniture & Fixture	BOG Net	Electrical and Fitting	Total	
Year ended December, 2021								
GROSS CARRYING AMOUNT	1.75	-	-	-	-	-	-	1.75
Opening Gross Carrying Amount	405.29	128.08	3.53	0.07	0.69	129.68	666.69	
Additions	-	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	407.04	128.08	3.53	0.07	0.69	129.68	668.44	
Year ended March, 2020								
GROSS CARRYING AMOUNT	-	-	-	-	-	-	-	-
Opening Gross Carrying Amount	-	-	-	-	-	-	-	-
Additions	1.75	-	-	-	-	-	-	1.75
Disposals/Adjustment	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	1.75	-	-	-	-	-	-	1.75

Note :

- There are no immovable Properties whose title deeds are not in the name of the Company.
- The Company has not revealed Property, Plant and Equipment.
- The Company has not revealed its intangible assets.
- The Company has capital work in progress.
- There is no intangible assets under development.

(iii) Capital -Work-in Progress (CWIP)

(a) CWIP aging schedule as at 31/03/2022

Particulars	Amount in CWIP for a period of			Rs. In lakhs
	Less than 1 year	1-2 years	2-3 years	
Project in progress	666.69	1.73	0	668.44
Projects temporarily suspended	0	0	0	-
			More than 3 years	Total

(b) CWIP aging schedule as at 31/03/2021

Particulars	Amount in CWIP for a period of			Rs. In lakhs
	Less than 1 year	1-2 years	2-3 years	
Project in progress	1.75	0	0	1.75
Projects temporarily suspended	0	0	0	-
			More than 3 years	Total



**Note 4**

OTHER NON-CURRENT FINANCIAL ASSETS	As at 31.03.2022	As at 31.03.2021
<b>NON-CURRENT INVESTMENTS</b>		
In Equity Instrument In subsidiary ( carried at cost) Fibron Polyweave Private Limited 33484 (p.yr.Nil) Equity shares of Rs. 100/- each fully paid purchased @ Rs.165/- per equity share	560.78	-
	560.78	-

**Note 5**

OTHER NON-CURRENT FINANCIAL ASSETS	As at 31.03.2022	As at 31.03.2021
Security Deposits	59.52	56.61
	59.52	56.61

**Note 6**

OTHER NON-CURRENT ASSETS	As at 31.03.2022	As at 31.03.2021
Capital Advances	146.88	0.65
Advances other than capital advances : Security Deposit -With Statutory Authorities	0.92	0.92
	147.80	1.57

**Note 7**

INVENTORIES	As at 31.03.2022	As at 31.03.2021
At lower of cost and net realizable value		
Raw material	168.21	202.92
Work-in-progress	587.51	232.85
Finished Goods	205.82	105.27
Stores and Spares	86.13	27.00
Printing Ink	14.45	3.20
Wastage	1.20	0.32
	1,065.52	571.56

**Note 8**

TRADE RECEIVABLE	As at 31.03.2022	As at 31.03.2021
(a) Trade Receivables considered good- secured	-	-
(b) Trade Receivables considered good- unsecured	1,217.83	969.31
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables -Credit impaired	-	-
	1,217.83	969.31
Less: Allowance for doubtful receivables	-	-
	1,217.83	969.31

**Trade receivables aging schedule**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,080.87	0.19	-	30.51	106.26	1,217.83
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
Total	1,080.87	0.19	-	30.51	106.26	1,217.83



## Trade receivables ageing schedule as

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	832.38	-	27.32	109.8	-	969.50
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>832.38</b>	<b>-</b>	<b>27.32</b>	<b>109.8</b>	<b>-</b>	<b>969.50</b>

## Note 9

CASH AND CASH EQUIVALENTS	As at 31.03.2022	As at 31.03.2021
(a) Balances with banks		
On Current Account	125.94	192.77
(b) Cash on hand	2.21	1.53
	<b>128.15</b>	<b>194.30</b>

## Note 10

OTHER BANK BALANCES	As at 31.03.2022	As at 31.03.2021
Emarked balances		
In deposits account *	59.22	50.63
	<b>59.22</b>	<b>50.63</b>

Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet.

\*Rs. 56.22 lakh limit with due banks against bank guarantee and overdraft facilities, includes accrued interest Rs.3.22 Lakhs (pr. yr. Rs. 0.63 Lakhs)

## Note 11

LOANS (CURRENT)	As at 31.03.2022	As at 31.03.2021
(a) Loan Receivables considered good-secured	-	-
(b) Loan Receivables considered good-unsecured	696.61	690.00
(c) Loan Receivables which have significant increase in credit risk	-	-
(d) Loan Receivables which have significant increase in credit risk	-	-
(e) Trade Receivables- credit impaired	-	-
	<b>696.61</b>	<b>690.00</b>
Less: Allowance for doubtful loans	-	-
	<b>696.61</b>	<b>690.00</b>

Loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties

(a) Repayable on demand or (b) without specifying terms of period of repayment

Type of Borrower	Amount of loan or advance in the nature of outstanding	Percentage to the total Loans & Advances in the nature of Loans
Promoters	0	0
	(0)	(0)
Directors	0	0
	(0)	(0)
KMP's	0	0
	(0)	(0)
Related Parties	0	0
	(0)	(0)
<b>Total</b>	<b>0</b>	<b>0</b>
	<b>(0)</b>	<b>(0)</b>

\*Amount in bracket represents previous year's figures

## Note 12

CURRENT TAX ASSETS	As at 31.03.2022	As at 31.03.2021
Income tax Refund	1.79	1.79
	<b>1.79</b>	<b>1.79</b>



C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company's Current assets aggregate to Rs. 3322.59 lakhs( 2021 - Rs. 2573.41 Lakhs) including Cash and cash equivalents and Other bank balances of Rs. 187.37 lakhs( 2021 - Rs. 244.93 lakhs) against an aggregate Current liability of Rs.3535.79 lakhs( 2021 - Rs. 1816.76 Lakhs); Non-current liabilities due between one year to three years amounting to Rs. 131.19 lakhs ( 2021 - 89.67 ) and Non-current liability due after three years amounting to NIL( 2021- NIL) on the reporting date. Further, while the Company's total equity stands at Rs. 3386.74 lakhs( 2021- Rs. 2008.75 lakhs), it has non-current borrowings of Rs. 131.19 lakhs( 2021 - Rs. 89.67). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material

financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year. The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair value Hierarchy	As at 31st March, 2022		As at 31st March, 2021	
		Fair Value		Fair Value	
<b>A Financial assets</b>					
<b>e) Measured at amortised cost</b>					
i) Cash and cash equivalent	L2	126.15		194.30	
ii) Other Bank balance	L2	59.22		50.63	
iii) Trade receivables	L2	1,217.83		989.23	
iv) Other financial assets	L2	59.52		56.83	
<b>Total Financial assets</b>		<b>1464.72</b>		<b>1270.79</b>	
<b>b) Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
i) Cash Credit facilities	L2	681.90		690.54	
ii) Term loans	L2	172.24		165.14	
iii) Trade payables	L2	578.56		340.97	
iv) Other financial liabilities	L2	-		-	
<b>Total financial liabilities</b>		<b>1433.16</b>		<b>1196.65</b>	



Note 13

OTHER CURRENT ASSETS	As at 31.03.2022	As at 31.03.2021
Advances other than capital advances :		
Other advances :		
-balance with statutory authorities	112.55	-
-advance against expenses	5.54	1.73
-pre-paid expenses	10.52	11.64
Other receivable :	27.06	76.53
	155.67	95.90

Note 14

SHARE CAPITAL :	As at 31.03.2022	As at 31.03.2021
Authorised :		
3000000 (pr.yr. 1,65,00,000) Equity Shares of Rs.10/- each (pr.yr.Rs. 10/-)	3,000.00	1,650.00
	3,000.00	1,650.00
Issued, subscribed and fully paid		
15596000(pr.yr. 15596000) Equity Shares of Rs.10/- each fully paid up	1,559.60	1,559.60
	1,559.60	1,559.60

Reconciliation of number of shares :	As at 31.03.2022	As at 31.03.2021
Face value per share (Rs.)	10	10
Number of Equity Shares outstanding at the beginning of the reporting period	15,596,000	15,596,000
No. of Equity Shares issued during the year	-	-
	15,596,000	15,596,000
Less : Deduction during the year	-	-
Number of Equity Shares outstanding at the end of the reporting period	15,596,000	15,596,000

Name of the shareholders holding more than 5% shares in the company	As at 31.03.2022				
Name of shareholder	Class	No. of shares	%	No. of shares	%
Sat Industries Limited and nominees	Equity	14316000	91.79	14316000	91.79
Sat Invest Private Limited	Equity	1280000	8.21	1280000	8.21

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Sat Industries Limited including shares held by nominees,	14316000 (14316000)	91.79 (91.79)	NIL
Total	14316000 (14316000)	91.79 (91.79)	NIL

Figures in bracket represent previous year figures

Shares held by holding Company		As at 31.03.2022		As at 31.03.2021	
Name of holding Company	Class	No. of shares	% Holding	No. of shares	% Holding
Sat Industries Limited and nominees	Equity	14316000	91.79	14316000	91.79

The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting.

The Company has not allotted any bonus shares during the period of five years immediately preceding March 31, 2022.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.





Note 15  
**OTHER EQUITY**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>1. SECURITIES PREMIUM</b> As per the last year accounts Add: Addition during the year	280.00	280.00
<b>2. GENERAL RESERVE</b> As per the last year accounts	280.00	280.00
	79.75	79.75
<b>3. CAPITAL RESERVE ON AMALGAMATION (BUSINESS COMBINATION)</b> As per the last year accounts Addition during the year	(90.00)	(90.00)
	(90.00)	(90.00)
<b>4. CAPITAL ISSUE EXPENSES</b>	(24.43)	-
<b>5. RETAINED EARNINGS</b> As per the last year accounts Add: Balance of amalgamating company-Sat E-Crm Limited Add: Surplus for the year	139.40	8.04
	-	4.13
	<b>492.42</b>	<b>127.23</b>
	541.82	139.49
<b>TOTAL</b>	<b>827.14</b>	<b>449.15</b>

1. Share Premium :-

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2. General Reserve

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period, the amount was transferred to it.

3. Capital Reserve on amalgamation:

Capital reserve on amalgamation is the difference between the consideration for acquisition of Sat E-Crm Limited (SEL) and the amount of share capital and security premium of SEL as per Ind AS 103 (Appendix C), Business combinations of entities under common control (refer note 37).

4. Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Note 16:

BORROWINGS - NON CURRENT :	As at 31.03.2022		As at 31.03.2021	
	Current	Non-Current	Current	Non-Current
<b>SECURED :-</b>				
(a) Term Loans				
from banks:				
UCO Bank				
I. Term Loan- UCO Covid-19 Emergency credit line (UCECL)	3.29	-	47.53	3.61
II Term Loan- Additional working capital term loan under guarantee emergency credit loan	37.46	46.52	27.94	86.06
III Term Loan- Guaranteed Emergency Credit Line ( GECL)	-	84.67	-	-
	<b>41.05</b>	<b>131.19</b>	<b>75.47</b>	<b>89.67</b>

(I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in-progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 18 equal monthly instalments of Rs. 411750.00 each commencing from December 04, 2020 and the last instalment is repayable on May 07, 2022. Rate of interest as on 31.03.2022 is 7.30% per annum. It is also secured by way of personal guarantee of Mr. Asad Daad, Managing Director of the Company.

(II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in-progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs. 354611.00 each commencing from June 14th, 2021 and the last instalment is repayable on June 14, 2024. Rate of interest as on 31.03.2022 is 7.50% per annum. It is also secured by way of personal guarantee of Mr. Asad Daad, Managing Director of the Company.

(III) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in-progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs. 263376.35 each commencing from December 15th, 2023 and the last instalment is repayable on December 15, 2026. Rate of interest as on 31.03.2022 is 7.50% per annum. It is also secured by way of personal guarantee of Mr. Asad Daad, Managing Director of the Company.

There is no continuing default in the payment of interest.

Note 17

DEFERRED TAX LIABILITIES (NET)	As at 31.03.2022	As at 31.03.2021
Particulars		
Deferred tax liability	142.67	134.76
Depreciation-Provision	2.81	7.64
Deferred tax assets	-	-
Leave encashment & gratuity (provisions) etc.	-	(0.27)
Net amount charged to Statement of Profit and Loss	2.81	7.91
Deferred tax liabilities(net)	<b>145.48</b>	<b>142.67</b>



Note 18

BORROWINGS -CURRENT :-	As at 31.12.2022	As at 31.03.2021
<b>SECURED :-</b>		
Current maturity of long term borrowings*	41.05	75.47
*For security refer to Note 14)		
<b>Repayable on demand</b>		
from banks :		
Uco bank -OD account (a)	7.58	-
Cash Credit facilities from UCO Bank (b)	681.98	690.54
	730.61	690.54
<b>UNSECURED :-</b>		
Repayable on demand		
<b>From Bank</b>		
Deutsche Bank (pfc) (c)	158.52	-
ICICI Bank Ltd (d)	270.33	251.81
Deutsche Bank -OD (e)	94.70	-
<b>Others</b>		
Tata Capital Financial Services Limited (f)	298.61	271.74
DA Trade Tech Private Limited	425.00	-
Loan related party from holding company		
Sat Industries Limited	780.00	-
	2,019.16	533.55
	2,749.77	1,289.56

(a) Borrowings from UCO Bank is secured against fixed deposit receipt. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director, of the Company. Rate of interest as on 31.03.2022 is 5 % per annum.

(b) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Newar Industrial Area, Madel, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in-progress, stores and spares, book debts, and packing materials etc. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director of the Company. Rate of interest as on 31.03.2022 is 9.95 % per annum.

(c) Guaranteed by Mr. Asad Daud, Managing Director and Mr. Hakim Sadiq Ali Tidiwala, Wholtime Director. Rate of interest as on 31.03.2022 is LIBOR+350 bps

(d) Guaranteed by Mr. Asad Daud, Managing Director and Mr. Hakim Sadiq Ali Tidiwala, Wholtime Director of the Company. Rate of interest as on 31.03.2022 is 8.75% per annum.

(e) Guaranteed by Mr. Asad Daud, Managing Director and Mr. Hakim Sadiq Ali Tidiwala, Wholtime Director of the Company. Rate of interest as on 31.03.2022 is 9.99% per annum.

(f) Guaranteed by Mr. Asad Daud, Managing Director and Mr. Hakim Sadiq Ali Tidiwala, Wholtime Director of the Company. Rate of interest as on 31.03.2022 is 11.00% per annum.

\* There is no continuing default in the payment of interest.

Note 19

TRADE PAYABLES	As at 31.03.2022	As at 31.03.2021
Total outstanding dues of micro enterprises and small enterprises	-	340.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	578.96	340.97

Trade payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed -Micro & small enterprises						
(ii) Undisputed Others	578.96	0.12	0.40	0.68	-	578.96
(iii) Disputed dues - Micro & small enterprises						
(iv) Disputed dues - Others						
Total	578.96	0.12	0.40	0.68	-	578.96

Trade payables ageing schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed -Micro & small enterprises						
(ii) Undisputed Others	340.13	0.22	0.35	-	-	340.97
(iii) Disputed dues - Micro & small enterprises						
(iv) Disputed dues - Others						
Total	340.13	0.22	0.35	-	-	340.97



Note 20

<b>OTHER CURRENT LIABILITIES</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Statutory Liabilities	36.78	67.22
Advance received from customers	24.19	4.69
Payable against DCA and CS of IOCL	49.25	92.34
Other Payable	0.41	-
	<b>110.73</b>	<b>164.25</b>

Note 21

<b>PROVISIONS</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Provisions for Gratuity	-	4.32
	<b>-</b>	<b>4.32</b>

Note 22

<b>CURRENT TAX LIABILITIES</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Current tax (net of advance tax) 19-20	-	17.66
Current tax (net of advance tax) 21-22	96.33	-
	<b>96.33</b>	<b>17.66</b>

Note 23

<b>REVENUE FROM OPERATIONS</b>	<b>For the period ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
(a) Manufactured Goods	5,921.63	4,504.48
(b) Traded Goods	1,247.50	668.26
(c) Sale of services		
I) Job work	119.35	129.23
II) Commission -DCA	76.27	75.85
III) Lease Rent	-	12.65
(d) Interest Income (Business)	195.62	237.73
(e) Other Operating Income	108.02	67.60
I) Export Incentive	-	48.92
	<b>-</b>	<b>48.92</b>
	<b>7,572.75</b>	<b>5,506.99</b>

Note 24

<b>OTHER INCOME</b>	<b>For the period ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
(a) Rent	11.04	0.52
(b) Interest on financial assets on amortised cost	2.86	3.31
(c) Miscellaneous income	2.08	-
(d) Foreign Exchange Fluctuation	42.52	23.60
(e) Subsidy-RIPS	15.53	-
	<b>74.03</b>	<b>27.43</b>

Note 25

<b>COST OF MATERIAL CONSUMED</b>	<b>For the period ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
Opening Stock	202.92	133.30
Add: Purchases and adjustments	4,621.50	3,190.12
	<b>4,824.42</b>	<b>3,323.42</b>
Less: Closing Stock	168.21	202.92
	<b>4,656.21</b>	<b>3,120.50</b>

Note 26

<b>PURCHASES OF STOCK -IN TRADE</b>	<b>For the period ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
Traded goods	1,232.15	674.56
	<b>1,232.15</b>	<b>674.56</b>

Note 27

<b>CHANGES IN INVENTORIES</b>	<b>For the period ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
Opening Stock :		
Finished Goods	105.59	81.08
Work-in-progress	232.85	313.78
	<b>338.44</b>	<b>394.86</b>
Less :Closing Stock :		
Finished Goods	207.02	105.59
Work-in-progress	587.51	232.85
	<b>794.53</b>	<b>338.44</b>
	<b>(456.09)</b>	<b>56.42</b>



Note 28

EMPLOYEE BENEFITS	For the period ended 31.03.2022	For the year ended 31.03.2021
(i) Salaries, wages and bonus	182.89	195.96
(ii) Contribution to provident and other funds	13.37	11.33
(iii) Gratuity	8.56	7.29
(iv) Staff welfare expenses	13.46	9.37
	<b>218.28</b>	<b>223.75</b>

Note 29

FINANCE COSTS	For the period ended 31.03.2022	For the year ended 31.03.2021
(a) Interest on borrowings	115.93	82.25
(b) Foreign exchange fluctuation on credit facility	-	0.40
(c) Other borrowing costs - Processing Charges	2.15	4.29
	<b>118.08</b>	<b>86.94</b>

Note 30

OTHER EXPENSES	For the period ended 31.03.2022	For the year ended 31.03.2021
Advertisement and publicity	4.57	3.34
Bag Pricing Expenses	21.54	20.91
Bag Stitching Expenses	130.52	107.50
Bank Commission and charges	18.53	24.83
Books & Periodicals	0.20	0.21
Carriage Outward	39.89	28.35
Charity and Donations	0.95	1.15
Commission on sales	13.98	48.08
Consultancy	11.71	2.68
Consumption of stores and spare parts	23.46	92.79
Festival Expenses	2.41	2.72
Domain Name Registration	0.05	0.45
Early Payment incentive expenses	0.49	0.97
Economic Rent & Service Charges	0.86	0.85
Electric & Power	305.76	292.13
Export Freight, Insurance & other Expenses	412.27	217.16
Fabric Weaving Expenses	92.30	95.74
Fees & Taxes	0.22	0.57
Fuel & Lubricant	22.17	22.30
Godown Rent	7.59	10.97
Inspection Charges of bags	0.89	0.40
Insurance Charges	8.90	9.08
Transport Expenses	2.82	2.31
Job charges	-	7.73
Lease Rent	12.54	3.14
Legal & Professional Exp.	13.78	10.55
Loss on sale of property, plant & equipment	-	3.52
Miscellaneous Expenses	3.03	2.19
Material handling Charges	2.18	-
Printing Materials	9.60	14.83
Payment to Auditors		
(i) as Audit Fee	0.23	0.23
(ii) for reimbursement of expenses	0.02	0.01
Postage & Telegram	2.07	2.41
Printing Ink	36.01	45.89
Rating Charges	0.40	0.43
Rebate, Claim & Discounts	4.89	0.51
Repairs & Maintenance (Others)	28.13	19.58
Sales Promotion Exp.	1.76	1.04
Software Expenses	2.06	0.72
Sorting and counting charges	19.15	17.59
Stationery & Printing	3.99	2.30
Subscription & Membership	2.44	0.48
Telephone and Mobile	2.31	2.04
Travelling Expenses	1.64	1.19
Vehicle Running & Maintenance Expenses	2.00	2.36
Warehouse Management charges	4.70	3.99
Water Expenses	1.87	1.28
	<b>1,280.88</b>	<b>1,129.48</b>



Note 31

Additional Information	For the period ended 31.12.2021	For the year ended 31.03.2021
(i) Depreciation and Amortisation:		
(a) Depreciation expense	81.57	79.26
(b) Amortization expense	1.77	1.30
	83.14	80.56
(ii) Payment to Auditors:		
(a) as Statutory Auditor	0.23	0.23
(b) Reimbursement of expenses	0.02	0.01
	0.25	0.24

Note 32

Earnings per share

	As on 31.03.2022	As on 31.03.2021
Earnings per share has been computed as under:		
(a) Profit for the year	402.42	127.23
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	15596000	15596000
(c) Effect of potential Equity shares on conversion of outstanding share warrants	-	-
(d) Weighted average number of equity shares in computing diluted earnings per share	15596000	15596000
(b) + (c)		
(e) Earnings per share on profit for the year (Face Value Rs. 10.00 per share) -		
- Basic (a/b)	2.58	0.82
- Diluted (a/d)	2.58	0.82

Note 33

Contingent liabilities and commitments :

(a) Contingent liabilities	Rs. in lakhs	
	31st March, 2022	31st March, 2021
Claims against excise duty and other matters		
(i) Income tax Matters *	1.61	1.61
Total	1.61	1.61

\*Net of deposit and does not include interest and penalty which is indeterminable.

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above,

(b) Commitments

	Rs. in lakhs	
	31st March, 2022	31st March, 2021
● Estimated amount of contracts remaining to be executed on capital accounts and not provided for	779.42	-
GUARANTEES		
(i) Guarantees issued by Uto Bank	500	407.65

Note 34

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of financial instruments

Particulars	Note	As at 31st March, 2022		As at 31st March, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A Financial assets					
a) Measured at amortised cost					
(i) Cash and cash equivalent	8	128.15	128.15	194.30	194.30
(ii) Other Bank balance	10	59.22	59.22	50.63	50.63
(v) Trade receivables	8	1,217.83	1,217.83	969.23	969.23
(vi) Other financial assets	5	59.52	59.52	56.63	56.63
Total Financial assets		1464.72	1464.72	1270.79	1270.79
B Financial Liabilities					
a) Measured at amortised cost					
(i) Cash Credit facilities	18	691.98	691.98	690.54	690.54
(ii) Term loans- Non current	18	131.19	131.19	59.87	59.87
(ii) Trade payables	19	578.66	578.66	340.97	340.97
(iv) Other financial liabilities	22	-	-	-	-
Total financial liabilities		1392.13	1392.13	1121.18	1121.18



### 3: FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

#### A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

##### (i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

##### (ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

##### (iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk/The Company has exposure only in USD/EURO converted to functional currency i.e. INR

The currency profile of financial assets and financial liabilities as at March 31st, 2022 and March 31, 2021, are as below:

Financial assets	Exposure currency	Rs. in Lakhs	
		As at 31.03.2022	As at 31.03.2021
Trade receivables	USD	543.70	427.23
	EURO	42.68	192.25
	GBP	30.94	0
Trade payable	USD	0	12.25
	EURO	0	8.36
		586.38	598.87

#### Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at March 31 would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	As at	Rs. in lakhs	
		Strengthening	Weakening
Profit/(Loss)	31.03.2021	29.94	29.94
	31.03.2022	30.86	30.86

#### B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.



**Note 34**

Disclosures in respect of related parties pursuant to Ind AS 24

**(i) Holding Company**

01) Sat Industries Limited

**(ii) Subsidiary**

01) FIBCORP Polyweave Private Limited ( w.e.f. 05/01/2022)

**(iii) Fellow Subsidiary**

Italica Furniture Private Limited

**(iv) Key Managerial Personnel**

01) Mr. Aaad Daud , Managing Director

02) Mr. Hakim Sadiq Ali Tidrawala, Wholetime Director

03) Mr.Murtaza Ali Mutt, Chief Executive Officer

04) Mr. Lalit Kumar Bolla, Chief Financial Officer

05) Mr. Dehanshu Deb, Company Secretary

Rs. in lakhs

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price

Name of related party	Nature of relation	For the period ended on 31/03/2022	For the year ended on 31/03/2021	Nature of transaction
Italica Furniture Private limited	Fellow Subsidiary	0.24	0.24	Rent Received
		-	190.00	Loan Given
		-	217.00	Loan Received Back
		-	3.49	Interest Received
Fibcorp Polyweave Private Limited	Subsidiary	387.64	0.00	Purchases
		2.36	0.00	Purchase Machine
		117.99	0.00	Sales
		10.64	0.00	Job work
		2.64	0.00	Lease rent
		35.11		Job work receipt
		1,091.93	423.00	Loan Taken
Sat Industries Limited	Holding Company	313.93	423.00	Loan Repayment
		20.86	6.78	Interest Paid
		-	25.00	Loan Given
		0.38	0.00	Export Incentive
		-	50.00	Loan Received Back
		0.24	0.24	Rent Received
		-	0.82	Interest Received
		36.70	21.22	Remuneration
Remuneration	Key Management Personnel	36.70	21.22	Remuneration

**Closing balances**

Name	As at 31/03/2022	As at 31/03/2021
Sat Industries Limited	750.00 Cr	25.34DR
Italica Furniture Private Limited	-	27.00DR
Fibcorp Polyweave Private limited	22.14 DR	-
Closing balances in the case of other parties is NIL.		

No amount in respect of the related parties have been written off/back are provided for during the year. Related party relationship has been identified by the Management and relied upon by the auditors.

**Note 35****EMPLOYEE BENEFITS****a) DEFINED CONTRIBUTION PLAN****Provident Fund:**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

**b) DEFINED BENEFIT PLAN****Gratuity:**

The Company participates in the Employees' Group Gratuity Scheme of Life Insurance Corporation Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

**Provident Fund:**

The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:****i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Provident Fund amounting to Rs. 12.39 Lakhs (previous year Rs. 10.62 Lakhs) has been included under Contribution to Provident and Other Funds.



ii) Defined Benefit Plan

Contribution cost amounting to Rs. 3.45 Lakhs (previous year Rs. 5.11 Lakhs) has been included in Note 27 under Contribution to Provident and Other Funds.

Note 36

TAX RECONCILIATIONS

Rs. in lakhs

	Period ended March 31, 2022		Year ended March 31, 2021
Tax expenses recognised in the Statement of Profit and Loss			
Current Tax :			
Current tax on profits for the year	108.90		27.07
Deferred tax (Net)	2.81		7.91
Total income tax expenses	111.71		34.98

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

	Period ended March 31, 2022		Year ended March 31, 2021
Profit before income tax	514.13		162.21
Indian statutory income tax rate	27.82%		27.82%
Expected income tax expenses	143.03		45.13
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses			
Tax impact of income not subject to tax	-		(0.85)
Tax effects of amounts which are not deductible for taxable income	-		1.30
Tax impact due to CBD of the Income tax Act, 1961	0.76		(0.29)
MAT credit adjustments	(30.54)		(10.84)
Others	(4.35)		(8.18)
	(34.13)		(18.06)
Total income tax expenses	108.90		27.07
Effective rate of tax (%)	21.18		16.69

Deferred Tax (Liabilities)

	Period ended March 31, 2022		Year ended March 31, 2021
Property Plant and Equipment	2.81		5.05
Others	0.00		18.85
Total deferred tax liabilities	2.81		23.90

Deferred Tax Assets

	Period ended March 31, 2022		Year ended March 31, 2020
Provisions	-		0.59
Others	-		0.59
Total deferred tax Assets	-		0.59

Net Deferred tax (Liabilities) / Assets

2.81

23.31

Movement in Deferred tax Liabilities / Assets

	Property, plant and equipment	Other deferred tax liability	Provisions	Other Deferred Tax Assets	Deferred Tax Liabilities/Asset (Net)
As at 31st March, 2020	125.79	6.04	8.21	23.39	134.76
(Charged)/Credited to profit and Loss account	7.64	-	0	-0.27	7.91
As at 31st March, 2021	133.43	6.04	8.21	23.12	142.67
(Charged)/Credited to profit and Loss account	2.81	0.00	0	-	2.81
As at 31st March, 2022	136.24	6.04	8.21	23.12	145.48

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.





Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Tax Credits carried forward	As at March 31, 2022	Expiry date	As at March 31, 2021	Expiry date
2012-13	0.00	31.03.2028	0.47	31.03.2028
2013-14	0.00	31.03.2028	6.00	31.03.2029
2014-15	0.00	31.03.2030	3.26	31.03.2030
2017-18	0.00	31.03.2033	4.80	31.03.2033
2018-19	0.00	31.03.2034	14.40	31.03.2034
2019-20	0.00	31.03.2035	1.33	31.03.2035
2020-21	0.00	31.03.2036		31.03.2036

**Note 37**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Information relating to the Micro, Small and Medium Enterprises	As at 31.03.2022	As at 31.03.2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year: (i) Principal amount (ii) Interest	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**Note 38**

**SEGMENT INFORMATION**

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Sacks etc., Consignment Stockist and Financing Activities. In terms of provisions of IND AS 108, Consignment Stockist and financing, presently, are not reportable segments.

Secondary :

**GEOGRAPHICAL INFORMATION**

Non Current Assets – Within India  
– Outside India

Revenue from external customers – Within India  
– Outside India



	Rs. in lakhs	
March 31, 2021	March 31, 2021	March 31, 2021
	2,876.61	1,484.44
	4,098.43	2,752.89
	3,170.58	2,419.65

**Note 39**

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116 - Leases to account for those leases where underlying assets is of low value.

**Note 40**

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on 31.03.2022 are subject to confirmation and reconciliation.

**Note 41**

In the opinion of the Management, there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 42**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 43**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 44**

The financial statements were authorised for issue by the Board of Directors on May 27, 2022.

**Note 45**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act, 2013, unless otherwise stated.

**Note 46**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

**Note 47**

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

**Note 48**

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Note 49**

The Company is not a declared willful defaulter by any bank or financial institution or other lender.

**Note 50**

The Company has no transaction with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act, 1956.

**Note 51**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**Note 52**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

**Note 53****Ratios**

Particulars	Numerator/Denominator	As at 31st March 2022	As at 31st March 2021	Explanation for any change in ratio by more than 25% as compared to previous year.
(a) Current ratio	Current assets/ Current Liabilities	0.94	1.42	Increase in short term borrowings to meet temporary paucity of funds
(b) Debt equity ratio	Total Debt/ Shareholder's Equity	0.07	0.08	Reduction in term borrowings and unproved shareholder's equity due to higher profit margins
(c) Debt Service Coverage Ratio	Earning available for debt service/ Debt Service	5.67	8.18	Increased in profitability
(d) Return on Equity Ratio	Net profit after taxes/ Average Shareholder's equity	0.18	0.06	Higher profit margins
(e) Inventory turnover ratio	Sales/Average Inventory	8.89	9.14	Increased in holding cost of inventory at the end of the year due to increase in cost of inputs
(f) Trade Receivables turnover ratio	Net credit sales/ Average accounts	6.92	5.34	Better collection system and reduction in credit period
(g) Trade payables turnover ratio	Net Credit purchase/ Average Trade Payables	10.05	8.09	Reduction in purchasing of goods on credit
(h) Net capital turnover ratio	Net sales/ Net capital	(35.48)	7.21	Increase in short term borrowings to meet temporary paucity of funds
(i) Net profit ratio	Net profit/Net sales	0.05	0.02	Improvement in margin on sale of products due to cost controls



(j) Return on Capital employed	Earning before interest and taxes /Capital Employed	0.23	0.11	Increase due to higher profit margin after tax
(k) Return on investment	Income generated from investment/ Time weighted average investment	0	0	Not calculated as no investment was made for the purpose of earning returns. Investment was made for acquisition of business in the subsidiary company.

**Note 54**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**Note 55**

Utilisation of Borrowed funds and share premium :

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) the Intermediary (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Company shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note 56**

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the ITR assessments under the Income Tax Act, 1961. Further there is no previously unrecorded income and related assets regarding recording in the books of account during the year.

**Note 57**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

**Note 58**

The Company is not covered under section 135 of the Companies Act, 2013.

**Note 59**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 60**

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The company will assess the impact of the Code when it comes into effect and will record related impact, if any.

<p>AJAY PALIWAL &amp; CO., Chartered Accountants FRN : 123450 <i>[Signature]</i> AJAY PALIWAL Proprietor M.No. 403200 Udaipur, May 27, 2022 UDIN: 22403270AMPENE8778</p>		<p>for and on behalf of the Board <i>[Signature]</i> ASAD DAUD Managing Director DIN: 02491339 <i>[Signature]</i> LALIT KUMAR BOLIA Chief Financial Officer</p>	<p><i>[Signature]</i> HAKIM SADIQ ALI TEDIWALA Wholtime Director DIN: 00119156 <i>[Signature]</i> MURTIZA ALI MOTI CEO</p>
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