

Sampati Lal Bohara & Co.

Chartered Accountants

39-40, Ashwini Bazaar, Udaipur (Raj.)- 313001

0294-2527164/2524351 (O), 0294-2424970 (Fax)

e-Mail: info@slbohara.com

website: www.slbohara.com

CA. Raj Kumar Bohara

B.Com., FCA

CA. Ajay Saria

B.Com., L.L.B., FCA

CA. Sudhir Mehta

B.Com., L.L.B., FCA

Ref.: _____

Date: _____

Independent Auditor's Report

To Members,
Sah Polymers Ltd.,
Udaipur (Raj.)-313001

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Sah Polymers Ltd., which comprise the Balance Sheet as at March 31st, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date audited by branch auditors of the company's branches / offices at Udaipur.

Management's Responsibility for the Financial Statements

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

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Sec. 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-sec. (11) of Sec. 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Sec. 143(3) of the Act, we record 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 accounts as required by the law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
 - (c) The Balance sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts and with the returns received by us.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Sec. 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on March 31st 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - (i) The company has not disclosed the impact of pending litigations on its financial position in its financial statements – as there are contingent liabilities as per financial statements;
 - (ii) The company has no material foreseeable losses on long term contracts including derivative contracts as required under the applicable law or accounting standards;
 - (iii) There were no amounts which were required to be transferred to the investor's education and protection fund by the company.
 - (iv) The company had provided requisite disclosures in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For M/s Sampati Lal Bohara & Co.

Chartered Accountants

FRN-003324C

Place: Udaipur (Raj.)

Date: 28/04/2017



CA. Ajay Sariya

Partner

M. No. 079102

Sampati Lal Bohara & Co.

Chartered Accountants

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Annexure to the Auditors Report

The annexure required under CARO referred to in our report to the members of Sah Polymers Ltd. for the year ended 31st March, 2017, we report that:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. As informed to us no material discrepancies were noticed on such verification.
- ii. The nature of business of the company does require it to have an inventory. Hence, keeping inventory by the company is proper and in our opinion as up to mark for the financial statements.
- iii. The company has not granted or taken any loans secured or unsecured during the year to/ from companies, firm or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under subsection (1) of section 148 of the act in respect of the business of the company.
- vii. (a) According to the records of the company, the Company has been generally regular in depositing its undisputed statutory dues such as Provident Fund, Employee's State Insurance, Income tax, Wealth tax, Service tax and other material statutory dues whichever is applicable to the Company with appropriate authorities during the year.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax and any other material statutory dues were in arrears as at 31 march 2017 for a period of more than six months, from the date they became payable.
(c) There are no disputed statutory dues during the year.
(d) Company has not transferred required amount within time to investor education and protection fund under section 124(5) of the Act.



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- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. The company has not taken term loan during the year
- x. Based upon the audit procedure performed and information and explanations given by the management we report that no fraud by the company has been noticed during the course of our audit.
- xi. The company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- xii. As the company is not a Nidhi Company and the Nidhi Rules 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. The company has entered into transactions with related parties in compliance of section 177 and 188 of the Act, the details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18 Related Parties disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the order are not applicable to the company
- xv. The company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of section 192 of the Act are not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company

Place: Udaipur (Raj.)

Date: 28/04/2017

For M/s Sampati Lal Bohara & Co.

Chartered Accountants

FRN-003324C



CA. Ajay Sariya

Partner

M. NO. 079102



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Date: _____

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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

We have audited the internal financial controls over financial reporting of PRISM CONSTRUCTIONS PRIVATE LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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.

Auditors' Responsibility

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

B.Com., L.L.B., FCA

Ref.: _____

Date: _____

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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Udaipur (Raj.)

Date: 28/04/2017

For M/s Sampati Lal Bohara & Co.

Chartered Accountants

FRN-003324C

CA. Ajay Saria

Partner

M. NO. 079102



SAH POLYMERS LIMITED
BALANCE SHEET AS AT 31.03.2017

Particulars	Note no.	As at 31.03.2017		As at 31.3.2016	
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	3	141,960,000.00		141,960,000.00	
(b) Reserves and surplus	4	(673,046.69)		(1,135,726.32)	
(c) Money received against share warrants			141,286,953.31		140,824,273.68
(2) Share application money pending allotment			-		
(3) Non-current liabilities					
(a) Long-term borrowings	5	12,500,000.00		31,724,370.00	
(b) Deferred tax liabilities (Net)	6	10,504,941.00		10,294,910.00	
(c) Other Long term liabilities		-		-	
(d) Long term provisions		-	23,004,941.00	-	42,019,280.00
(4) Current liabilities					
(a) Short-term borrowings	7	64,278,072.86		43,817,440.99	
(b) Trade payables	8	31,388,610.19		24,952,614.74	
(c) Other current liabilities	9	16,109,836.81		12,291,852.27	
(d) Short term provisions	10	351,001.00	112,127,520.86	262,240.00	81,324,148.00
TOTAL			276,419,415.17		264,167,701.68
II. ASSETS					
Non-current assets					
(1) (a) Fixed assets	11				
(i) Tangible assets		132,012,746.38		136,867,265.89	
(ii) Intangible assets		54,475.34		-	
(iii) Capital work-in-progress		-		-	
		132,067,221.72		136,867,265.89	
(b) Non-current investments	12	10,000,000.00		10,000,000.00	
(c) Deferred tax assets(net)		-		-	
(d) Long-term loans and advances	13	6,033,998.00		4,719,763.00	
(e) Other non-current assets		-		-	
			148,101,219.72		151,587,028.89
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories	14	70,344,887.89		43,461,952.12	
(c) Trade receivables	15	32,069,254.06		27,013,422.04	
(d) Cash and cash equivalents	16	15,431,595.91		40,360,716.63	
(e) Short-term loans and advances	17	2,246,045.69		1,744,582.00	
(f) other current assets	18	8,226,411.90	128,318,195.45	-	112,580,672.79
TOTAL			276,419,415.17		264,167,701.68

Notes to the Financial Statements

1 to 37

As per our Audit Report Attached

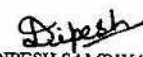
Signatures to the Financial Statements and Notes


for and on behalf of
SAMPATIL BOHARA & CO.,
Chartered Accountants
FRN : 003324C

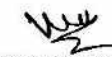

AJAY SARIYA
Partner

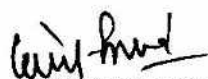
M.No. 079102
Udaipur, April 28, 2017

for and on behalf of the Board


DIPESH SAMRIYA
Company Secretary
M.No. A41568


ASAD DAUD
Managing Director
DIN-02491539


HAKIM S TIDIWALA
Wholtime Director
DIN-00119156


LALIT KUMAR BOLIA
Chief Financial
Officer



SAH POLYMERS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

	Particulars	Note no.	For the year ended 31.03.2017		For the year ended 31.03.2016	
I.	Revenue from operations	19		400,690,983.00		475,232,179.87
	Less : Excise duty			37,631,464.00		49,739,624.00
	Net Revenue from Operation			363,059,519.00		425,492,555.87
II	Other Income	20		11,463,057.90		5,346,339.92
III.	Total Revenue (I+II)			374,522,576.90		430,838,895.79
IV.	Expenses :					
	Cost of Material consumed	21		274,062,508.23		320,386,872.23
	Purchases of Stock-in-Trade	22		291,040.00		739,251.00
	Changes in inventories of finished goods	23		(20,588,236.53)		4,586,164.90
	Work-in-progress and Stock -in-Trade			-		-
	Employee benefits expense	24		15,089,534.00		13,866,705.00
	Finance costs	25		11,692,496.00		11,873,280.77
	Depreciation and amortization expense	26		7,240,884.97		7,084,877.42
	Other expenses	27		86,061,639.60		93,334,027.97
	Total expenses			373,849,866.27		451,871,179.29
V.	Profit before exceptional and extraordinary items and tax (III-IV)			672,710.63		(21,032,283.50)
VI.	Exceptional items			-		-
VII.	Profit before extraordinary items and tax(V-VI)			672,710.63		(21,032,283.50)
VIII.	Extraordinary Items			-		-
IX.	Profit before tax(VII-VIII)			672,710.63		(21,032,283.50)
X.	Tax expense:					
	(1) Current tax			-		-
	(3) Deferred tax		210,031.00	210,031.00	(6,814,263.00)	(6,814,263.00)
XI.	Profit/(Loss) for the period from continuing operations (IX-X)			462,679.63		(14,218,020.50)
XII.	Profit/(loss)from discontinuing operations			-		-
XIII.	Tax expense of discontinuing operations			-		-
XIV.	Profit/(loss)from discontinuing operations(after tax)(XII-XIII)			-		-
XV.	Profit/(Loss) for the period (XI+XIV)			462,679.63		(14,218,020.50)
XVI.	Earnings per equity share:			0.03		-1.00
	Basic and Diluted			0.03		-1.00
	Notes to the Financial Statements	1 to 37				

The Notes referred to above from an intergal part of the finaancial statemens
As per our Audit Report Attached


Signatures to the Financial Statements and Notes

for and on behalf of
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FRN : 003324C



AJAY SARIYA


Partner
M.No. 079102
Udaipur, April 28, 2017

for and on behalf of the Board


DIPESH SAMRIYA
Company Secretary
M.No.A41568


ASAD DAUD
Managing Director
DIN-02491539


HAKIM S TIDIWALA
Wholetime Director
DIN-00119156


LALIT KUAMR BOLIA
Chief Financial Officer



SAH POLYMERS LIMITED
CASH FLOW STATEMENT For the Year 31ST MARCH 2017

Sr. No.	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
A	Cash Flow from Operating Activities		
	Net Profit before tax	672,710.63	(21,032,283.50)
	Adjustments for:		
	Depreciation	7,240,884.97	7,084,877.42
	Diminution in the value of Investments	-	-
	Interest Paid	11,431,863.00	11,602,669.77
	Interest received	(415,113.00)	(518,312.00)
	(Profit)/Loss on Sale of Investments	-	(1,788,383.00)
	(Profit)/Loss on Sale of Assets	17,215.67	-
	provisions of leave encashment	88,761.00	14,042.00
	Operating Profit before working capital changes	19,036,322.27	(4,637,389.31)
	Adjustment for Changes in Working Capital:		
	Decrease/(Increase) in Trade Receivables	(5,055,832.02)	12,767,183.12
	Decrease/(Increase) in Short Term Loans & Advances	(501,463.69)	7,666,114.07
	Increase/(Decrease) in Trade Payables & Other Current Liabilities	10,253,979.99	5,507,462.42
	Increase in other non current assets	(2,562,782.00)	(264,163.00)
	Increase in other current assets	(8,226,411.90)	-
	Decrease/(Increase) in Stock	(26,882,935.77)	11,534,745.71
	Cash Generated from Operations	(13,939,123.12)	32,573,953.01
	Income Taxes Refund / (Paid)	-	(240,249.00)
	Net Cash Inflow / (Out Flow) from Operation (A)	(13,939,123.12)	32,333,704.01
B	Cash Flow from Investing Activities:		
	Sale of fixed assets	11,760.00	-
	Purchase of fixed assets	(2,469,816.47)	(6,638,900.71)
	Increase in WIP	-	321,145.00
	Purchase of Investments	-	-
	Sale of investment	-	25,311,204.00
	Interest received	415,113.00	518,312.00
	Net Cash Inflow / (Outflow) from Investing Activities (B)	(2,042,943.47)	19,511,760.29
C	Cash flow from Financing Activities		
	Repayment of long term borrowings	(19,224,370.00)	6,724,370.00
	Increase in short term borrowings	20,460,631.87	(21,319,885.78)
	Increase in long term advances	(1,314,235.00)	1,808,138.00
	Interest Paid	(11,431,863.00)	(11,602,669.77)
	Net Cash Inflow / (Out Flow) from Financing Activities (C)	(11,509,836.13)	(24,390,047.55)
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	(27,491,902.72)	27,455,416.75
	Cash and Cash equivalents as at 31.03.2016	40,096,553.63	12,641,136.88
	Cash and Cash equivalents as at 31.03.2017	12,604,650.91	40,096,553.63

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 Accounting standard-3 "Cash Flow statement"

2. Cash and Cash equivalents:

	Year ended 31.03.2017	Year ended 31.03.2016
Cash and cash equivalents as above	12604650.91	40096553.63
Other bank balances	2826945	264163
Cash and bank balance (Note 15)	<u>15431595.91</u>	<u>40360716.63</u>

For and on behalf of
SAMPATILAL BOHARA & CO.,
Chartered Accountants
FRN : 003324C

CA AJAY SARIYA
CA AJAY SARIYA
Partner
M.No. 079102
Udaipur, April 28, 2017

For and on behalf of the Board

DIPESH SAMRIYA *ASAD DAUD* *HAKIM S TIDIWALA* *LALIT KUAMR BOLIA*
DIPESH SAMRIYA ASAD DAUD HAKIM S TIDIWALA LALIT KUAMR BOLIA
Company Secretary Managing Director Whole time Director Chief Financial
M.No.A41568 DIN-02491539 DIN-00119156 Officer



SAH POLYMERS LIMITED
NOTES FORMING PART OF THE PROVISIONAL FINANCIAL STATEMENTS AS AT 31.03.2017

Note 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.

Note 2

Significant accounting policies

Note 2.1

Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Note 2.2

Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Note 2.3

Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Note 2.4

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Note 2.5

Depreciation and amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013. No write off is made in respect of lease hold land.

Note 2.6

Revenue recognition

Sale of Goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Revenues from services are recognised when services are rendered and related costs are incurred.

Note 2.7

Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

Note 2.8

Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

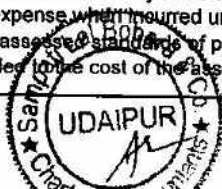
Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Note 2.9

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.



Note 2.10**Government grants, subsidies and export incentives**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Note 2.11**Investment**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. The cost of investments includes acquisition charges such as brokerage, fees and duties.

Note 2.12**Foreign Currency Transactions**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions or that approximate the actual rate at the date of the transaction.
- monetary items denominated in foreign currencies at the year end rates. In the case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract. c. Non-monetary foreign currency items are carried at cost.
- d. In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities are restated at the year end rates.
- c. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement, except in the case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

Note 2.13**Borrowing costs**

Borrowing costs include interest. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Note 2.14**Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Note 2.15**Employee benefits****Defined contribution plans**

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.



Note 2.16**Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Note 2.17**Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

Note 2.18**Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Note 2.19**Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Note 2.20**Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

Note 3

SHARE CAPITAL :	As at 31.03.2017	As at 31.03.2016
Authorised :		
15000000 (pr.yr. 1,50,00,000) Equity Shares of Rs.10/- each	150,000,000.00	150,000,000.00
(pr.yr.Rs. 10/-)	150,000,000.00	150,000,000.00
Issued, subscribed and fully paid		
14196000 (pr.yr. 14196000) Equity Shares of Rs.10/- each	141,960,000.00	141,960,000.00
(pr.yr.Rs.10/-) each fully paid up	141,960,000.00	141,960,000.00
Out of the above 4732000 equity shares of Rs. 10/- each have been issued as bonus shares by capitalising surplus in Profit and Loss Statement in the year 2012-2013		

Reconciliation of number of shares :	As at 31.03.2017	As at 31.03.2016
Face value per share (Rs.)	10	10
Number of Equity Shares outstanding at the beginning of the reporting period	14,196,000	14,196,000
No. of Equity Shares issued during the year	-	-
	14,196,000	14,196,000
Less : Deduction during the year	-	-
Number of Equity Shares outstanding at the end of the reporting period	14,196,000	14,196,000



Name of the shareholders holding more than 5% shares in the company		As at 31.03.2017		As at 31.03.2016	
Name of shareholder	Class	No. of shares	%	No. of shares	%
Sat Industries Limited	Equity	12696000	89.43	11282145	79.47
Sat Invest Private Limited	Equity	1500000	10.57	1500000	10.57

Aggregate of number of bonus shares allotted during the period of five years immediately preceding March ,31

	2017	2016
Equity Share allotted as fully paid up by way of bonus shares	4732000	4732000

Shares held by holding Company		As at 31.03.2017		As at 31.03.2016	
Name of holding Company	Class	No. of shares	% Holding	No. of shares	% Holding
Sat Industries Limited and nominees	Equity	12696000	89.43	11282145	79.47

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

Note 4

RESERVES AND SURPLUS :		As at 31.03.2017	As at 31.03.2016
(a) Capital Subsidy			
As per the last Balance Sheet		7,975,200.00	7,975,200.00
Add: Addition during the year		-	-
		7,975,200.00	7,975,200.00
Less: Deduction during the year		-	-
		7,975,200.00	7,975,200.00
(b) Surplus :			
As per the last Balance Sheet		(9,110,926.32)	5,107,094.18
Add: Profit for the year as per the profit and loss statement		462,679.63	(14,218,020.50)
		(8,648,246.69)	(9,110,926.32)
Less : Deduction during the year		0.00	0.00
		(8,648,246.69)	(9,110,926.32)
TOTAL (a+b)		(673,046.69)	(1,135,726.32)

Note 5

LONG TERM BORROWINGS:		As at 31.03.2017		As at 31.03.2016	
		Current	Non-current	Current	Non-current
SECURED :					
(a) Term Loans:					
from banks :					
UCO Bank :					
Term Loan -II		6,250,000.00	12,500,000.00	6,241,815.00	18,749,370.00
		6,250,000.00	12,500,000.00	6,241,815.00	18,749,370.00
UNSECURED :					
Corporate borrowings					
		-	-	-	12975000.00
		-	-	-	12975000.00
		6,250,000.00	12,500,000.00	6,241,815.00	31,724,370.00

(a) Term loan - Term Loan -II 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 moveable assets such as plant and machinery , furniture and fixtures etc. It is also secured by way of personal guarantee of Mr. Hakim S Tidiwala and Mr.Asad Daud, Directors of the Company.

(b) Term loan II is repayable in 32 quarterly installments of Rs. 1562500/- each commencing from 30.06.2012 . The last installment is repayable on 31.03.2020 . The rate of interest as on 31.03.2017 is 13.20% per annum with quarterly rests.

(c) There is no continuing default in the repayment of installment of loan and interest thereon.

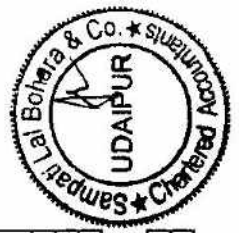
(d) In respect of unsecured loans, there is no schedule of repayment.

Note 6

DEFERRED TAX LIABILITIES (NET)		As at 31.03.2017	As at 31.03.2016
Particulars			
Deferred tax liability			
Depreciation		10294910.00	17109173.00
Deferred tax assets		760112.00	1351925.00
Leave encashment & gratuity (provisions),unabsorbed losses etc.		550081.00	8166188.00
Net amount charged to Statement of Profit and Loss		10504941.00	10294910.00
Deferred tax liabilities(net)		10504941.00	10294910.00



SAH POLYMERS LIMITED



NOTE NO. - 11 TANGIBLE ASSETS									
YEAR 2016-17									
NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2016	ADDITION DURING THE YEAR	SALES DURING THE YEAR	AS AT 31.03.2017	AS AT 01.04.2016	DED. DURING THE YEAR	AS AT 31/03/2017	AS AT 31.03.2017	AS AT 31.03.2016
LAND - LEASE HOLD	2,956,545.00	-	0.00	2,956,545.00	-	-	-	2,956,545.00	2,956,545.00
BUILDING	37,898,632.88	-	0.00	37,898,632.88	8,305,444.95	1,272,812.13	9,578,257.08	28,320,375.80	29,593,187.93
PLANT AND EQUIPMENT	137,907,427.05	2,032,530.47	244,980.00	139,714,977.52	39,136,708.51	5,148,571.48	44,069,275.66	95,645,701.86	98,770,718.54
FURNITURE AND FIXTURES	1,071,480.00	87,958.00	0.00	1,159,438.00	648,128.68	134,141.28	782,269.96	377,168.04	423,351.32
VEHICLE	2,148,521.00	-	0.00	2,148,521.00	1,814,133.45	216,912.98	2,031,046.43	117,474.57	334,387.55
OFFICE EQUIPMENTS	867,001.00	101,878.00	0.00	968,879.00	562,681.00	119,955.25	682,636.25	286,242.75	304,320.00
D.G. SET	5,893,181.00	-	0.00	5,893,181.00	1,580,960.34	254,361.76	1,835,322.10	4,057,858.90	4,312,220.66
TUBE WELL	115,672.00	-	0.00	115,672.00	28,594.90	3,684.37	32,279.27	83,392.73	87,077.10
COMPUTER	536,298.00	152,700.00	0.00	688,998.00	450,840.21	70,171.08	521,011.27	167,986.73	85,457.79
TOTAL	189,394,757.93	2,395,066.47	244,980.00	191,544,844.40	52,527,492.04	7,220,610.31	59,532,098.02	132,012,746.38	136,867,265.89

No write off has been made in respect of leasehold land

NOTE NO. - 11 IN TANGIBLE ASSETS									
YEAR 2016-17									
NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2016	ADDITION DURING THE YEAR	SALES DURING THE YEAR	AS AT 31.03.2017	AS AT 01.04.2016	DED. DURING THE YEAR	AS AT 31/03/2017	AS AT 31.03.2017	AS AT 31.03.2016
COMPUTER SOFTWARE	67,000.00	74,750.00	-	141,750.00	67,000.00	20,274.66	87,274.66	54,475.34	-
TOTAL	67,000.00	74,750.00	-	141,750.00	67,000.00	20,274.66	87,274.66	54,475.34	-

NOTE NO. 11- TANGIBLE ASSETS									
YEAR 2015-16									
NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01/04/15	ADDITION DURING THE YEAR	SALES DURING THE YEAR	AS AT 31/03/16	Depreciation & adjustment/trans reserve & surplus AS AT 01/04/15	DED. DURING THE YEAR	AS AT 31/03/16	AS AT 31/03/16	AS AT 31/03/15
LAND	2,956,545.00	-	0.00	2,956,545.00	-	-	-	2,956,545.00	2,956,545.00
BUILDING	37,356,462.88	542,170.00	0.00	37,898,632.88	7,032,572.82	1,272,872.13	8,305,444.95	29,593,187.93	30,323,890.06
PLANT AND EQUIPMENT	132,070,793.34	5,836,633.71	0.00	137,907,427.05	34,179,982.49	4,956,726.02	39,136,708.51	98,770,718.54	97,890,810.85
FURNITURE AND FIXTURES	1,038,642.00	32,838.00	0.00	1,071,480.00	518,907.23	129,221.45	648,128.68	423,351.32	519,734.77
VEHICLE	2,148,521.00	-	0.00	2,148,521.00	1,535,300.46	278,832.99	1,814,133.45	334,387.55	613,220.54
OFFICE EQUIPMENTS	680,741.00	186,260.00	0.00	867,001.00	450,968.35	111,712.65	562,681.00	304,320.00	229,772.65
D.G. SET	5,893,181.00	-	0.00	5,893,181.00	1,326,598.58	254,361.76	1,580,960.34	4,312,220.66	4,566,582.42
TUBE WELL	115,672.00	-	0.00	115,672.00	24,910.53	3,684.37	28,594.90	87,077.10	90,761.47
COMPUTER	495,299.00	40,999.00	0.00	536,298.00	373,374.16	77,466.05	450,840.21	85,457.79	121,924.84
TOTAL	182,755,857.22	6,638,900.71	0.00	189,394,757.93	45,442,614.62	7,084,877.42	52,527,492.04	136,867,265.89	137,313,242.60

NOTE NO. 11- INTANGIBLE ASSETS									
YEAR 2015-16									
NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01/04/2015	Addition during the year	SALES DURING THE YEAR	AS AT 31/03/16	Depreciation & adjustment/trans reserve & surplus AS AT 01/04/15	DED. DURING THE YEAR	AS AT 31/03/16	AS AT 31/03/16	AS AT 31/03/15
COMPUTER SOFTWARE	67,000.00	-	-	67,000.00	67,000.00	-	67,000.00	-	-
TOTAL	67,000.00	-	-	67,000.00	67,000.00	-	67,000.00	-	-

CAPITAL WORK IN PROGRESS

CURRENT YEAR	321,145.00	221,025.00	542,170.00	-	-	-	-	-	321,145.00
(Previous Year)	-	321,145.00	-	-	-	-	-	-	-

Note 7

SHORT TERM BORROWINGS:	As at 31.03.2017	As at 31.03.2016
SECURED :		
(a) Loans Repayable on demand		
From banks		
UCO Bank	64,278,072.86	43,817,440.99
	64,278,072.86	43,817,440.99

(a) 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. It is also secured by way of personal guarantees of Mr. Hakim S Tidiwala and Mr. Asas Daud, Directors of the Company

(b) The rate of interest as on 31.03.2017 is 11.25% per annum.

(c) There is no continuing default in the payment of interest.

Note 8

TRADE PAYABLES	As at 31.03.2017	As at 31.03.2016
Trade Payable	31,388,610.19	24,952,614.74
	-	-
	31,388,610.19	24,952,614.74

*There are no Micro, Small and Medium Enterprises to whom the Company owes and the same is outstanding for more than 45 days as at 31st March, 2017. During the year no payment against interest was made to any Micro, Small and Medium Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 9

OTHER CURRENT LIABILITIES :	As at 31.03.2017	As at 31.03.2016
(a) Current maturities of long-term debt *	6,250,000.00	6,241,815.00
(b) Advance from Customers	1,585,999.00	746,687.36
(c) Payable on purchases of fixed Assets	-	1,090,739.50
(d) Statutory Remittance	3,686,433.53	4,212,610.41
(e) Payables against DCA and CS of IOCL	4,587,404.28	-
	16,109,836.81	12,291,852.27

* For security and other terms refer to note 5

Note 10

SHORT TERM PROVISIONS :	As at 31.03.2017	As at 31.03.2016
Provisions for employee benefits (Leave Encashment)	351,001.00	262,240.00
	351,001.00	262,240.00

Note 12

NON-CURRENT INVESTMENTS	As at 31.03.2017	As at 31.03.2016
Unquoted		
Investment in equity Instruments:		
Investment in subsidiary :		
Sat E-Com Limited		
500000(pr.yr.500000) Equity Shares of Rs.10.00 each fully paid up purchased @	10,000,000.00	10,000,000.00
of Rs.20/- per share	10,000,000.00	10,000,000.00
(a) Aggregate of unquoted investments.	10,000,000.00	10,000,000.00

Note 13

LONG TERM LOANS AND ADVANCES :	As at 31.03.2017	As at 31.03.2016
Unsecured considered good unless otherwise stated		
(a) Security Deposits	5,842,998.00	4,537,863.00
(b) Loans and advances others *	191,000.00	181,900.00
*includes loans to employee Rs.Nil ~ (pr.yr. Rs.56000/-)	6,033,998.00	4,719,763.00

Note 14

INVENTORIES	As at 31.03.2017	As at 31.03.2016
Mode of valuation :		
FIFO Method, cost or net realisable value whichever is lower		
(a) Raw materials	13389926.12	8,970,489.29
(b) Work-in-progress	40375956.36	23893219.83
(c) Finished goods	10486824.00	6407553.00
(d) Stores and spares	4911914.19	3197262.00
(e) Printing Ink	1106178.22	945568.00
(e) Wastage	74089.00	47860.00
	70344887.89	43461952.12



Note 15

TRADE RECEIVABLES	As at 31.03.2017	As at 31.03.2016
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the due date they become payable	1,686,116.00	21,452.00
Others	30,383,138.06	26,991,970.04
	32,069,254.06	27,013,422.04

Note 16

CASH AND BANK BALANCES	As at 31.03.2017	As at 31.03.2016
Cash and Cash equivalents		
(a) Balances with banks		
On Current Account	12,447,296.46	40,069,292.18
(b) Cheques, drafts on hand	21,275.00	-
(c) Cash on hand	136,079.45	27,261.45
Other bank balances		
*Fixed deposits with banks including interest accrued thereon Rs. 31945/- (pr.yr.4163.00) with more than 12 months maturity not available for immediate use including margin money deposit	2,826,945.00	264163.00
	15,431,595.91	40,360,716.63

*(includes Fixed deposits pledged :

(a) Rs 2761038/- including interest accrued thereon with Uco Bank as margin money against bank guarantee .

(b) Rs.65907/- including interest accrued thereon with Assistant Commissioner Excise Division, Udaipur)

Note 17

SHORT TERM LOANS AND ADVANCES	As at 31.03.2017	As at 31.03.2016
Unsecured considered good unless otherwise stated		
(a) Loan & Advance Others		
i) Advance to suppliers	-	241,046.00
ii) Advance Against Expenses	723,439.69	137,975.00
iii) Loans to employees	275,250.00	178,649.00
iv) Balances with Revenue Authorities	356,195.00	837,483.00
v) Income tax (Refund)	25,215.00	72,212.00
vi) Prepaid Expenses	865,946.00	1,744,582.00
	2,246,045.69	1,744,582.00
	2,246,045.69	1,744,582.00

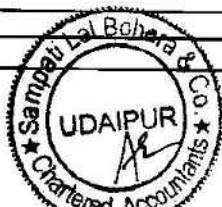
Note 18

OTHER CURRENT ASSETS	As at 31.03.2017	As at 31.03.2016
(a) Receivables against DCA and CS of IOCL	6,405,431.90	-
(b) Interest Accrued	3,057.00	-
(c) Accrued Export Incentives	1,769,263.00	-
(d) Accrued Commission	48,660.00	-
	8,226,411.90	-

Note 19

REVENUE FROM OPERATIONS	For the year ended 31.03.2017	For the year ended 31.03.2016
Sales :-		
(a) Indigenous	290,469,505.00	441,382,865.69
(b) Export	110,168,618.00	33,849,314.18
(c) Other Operating Income :	52,860.00	-
	400,690,983.00	475,232,179.87
Less : Excise Duty	37,631,464.00	49,739,624.00
	363,059,519.00	425,492,555.87

Particulars of sale value of goods		
(a) Indigenous		
HDPE/PP woven Sacks	277,039,268.00	408390732.69
HDPE/PP woven fabrics	9,229,102.00	25541984.00
Others	4,201,135.00	7450151.00
(b) Export		
PP woven Sacks	33,513,709.00	4769132.00
PP woven fabrics	76,654,909.00	29080180.18
	400,638,123.00	475232179.87
OTHER OPERATING INCOME :		
(i) Commission	52,860.00	



Note 20

OTHER INCOME	For the year ended 31.03.2017		For the year ended 31.03.2016
(a) Interest income	367,994.00		518,312.00
(b) Miscellaneous income (Export Incentive)	4,154,264.00		46772.00
(c) Rent	48,000.00		32000.00
(d) Subsidy	3,469,173.00		2,943,001.00
(d) Profit on sale of Investment	-		1788383.00
(e) Interest on fixed deposit	47,119.00		4163.00
(f) Scrap sale	1,642,481.00		0.00
(g) Bad debts recovered	1,567,079.00		0.00
(h) Foreign Exchange Fluctuation	166,947.90		13708.92
	11,463,057.90	-	5,346,339.92

Note 21

COST OF MATERIAL CONSUMED	For the year ended 31.03.2017		For the year ended 31.03.2016
Opening Stock	8,970,489.29		13,983,779.50
Add: Purchase and adjustments			
Indigenous	278,481,945.06		315,373,582.02
	287,452,434.35		329,357,361.52
Less: Closing Stock	13,389,926.12		8,970,489.29
	274,062,508.23		320,386,872.23

Particulars of Material Consumed under broad heads is as follows	Amount (Rs.)		Amount (Rs.)
HDPE/PP	235440922.30		282229173.99
Filler	31346647.89		34537328.24
Others	7,274,938.04		3620370.00
	274062508.23		320386872.23

Note 22

PURCHASES OF STOCK -IN TRADE	For the year ended 31.03.2017		For the year ended 31.03.2016
Purchases -	291,040.00		739,251.00
	291,040.00		739,251.00

Note 23

CHANGES IN INVENTORIES		For the year ended 31.03.2017		For the year ended 31.03.2016
Opening Stock :				
Finished Goods	6,455,413.00		5,816,025.00	
Work-in-progress	23,893,219.83		29,118,772.73	
		30,348,632.83		34,934,797.73
Less :Closing Stock :				
Finished Goods	10,560,913.00		6,455,413.00	
Work-in-progress	40,375,956.36		23,893,219.83	
		50,936,869.36		30,348,632.83
		(20,588,236.53)		4,586,164.90
(Increase)/decrease in Excise Duty on Stocks		538,229.00		241,989.00

Note 24

EMPLOYEE BENEFITS	For the year ended 31.03.2017		For the year ended 31.03.2016
(i) Salaries, wages and bonus	14,040,386.00		12,903,621.00
(ii) Contribution to provident and other funds	877,987.00		788,801.00
(iii) Staff welfare expenses	171,161.00		174,283.00
	15,089,534.00		13,866,705.00

Note 25

FINANCE COSTS	For the year ended 31.03.2017		For the year ended 31.03.2016
(a) Interest expense			
(i) Interest on borrowings	11,431,863.00		11,576,129.77
(ii) Interest on delayed payment of taxes	-		26,540.00
(b) Other borrowing costs - Processing Charges	260,633.00		270,611.00
	11,692,496.00		11,873,280.77



Note 26

OTHER EXPENSES	For the year ended 31.03.2017	For the year ended 31.03.2016
Consumption of stores and spare parts	3,505,715.13	8,257,641.39
Electric & Power	27,463,051.00	30,439,429.00
Fuel & Lubricant	2,261,346.00	1,716,327.00
Fabric Weaving Expenses	6,276,178.00	6,813,064.00
Bag Stitching Expenses	11,490,080.00	13,906,042.00
Bag Printing Expenses	5,064,195.00	5,866,946.00
Inspection Charges of bags	17,645.00	139,235.00
PP-or-ing	270,300.00	-
Printing Ink	5,822,982.26	7,294,083.33
Lamination Expenses (export)	-	188,675.00
Repairs & Maintenance (Plant & Machinery)	981,528.75	927,701.17
Packing Materials	477,227.50	180,784.01
Books & Periodicals	57,279.00	38,544.00
Carriage Outward	2,695,563.00	4,119,239.00
Export Freight , Insurance & other Expenses	9,128,023.29	241,060.81
Rebate, Claim & Discounts	1,895,792.01	2,382,957.96
Software Consultancy	12,000.00	12,000.00
Bank Commission and charges	948,612.00	426,124.10
Consultancy	10,000.00	-
Commission on sales	2,622,690.97	2,330,204.28
Economic Rent & Service Charges	59,121.00	53,821.00
Insurance Charges	384,287.00	1,048,919.00
Advertisement & Publicity	26,131.00	24,664.03
Loss on sale of assets	17,215.67	-
Legal & Professional Exp.	543,826.00	357,418.00
ISI Registration Expenses	100,562.00	31,770.00
Payment to Auditors:		
(i) as Audit Fee	23,000.00	22,900.00
(ii) for reimbursement of expenses	4,800.00	5,040.00
Water Expenses	245,826.00	217,222.00
Miscellaneous Expenses	370,014.47	323,661.08
Postage & Telegram	174,680.73	178,933.66
Sales Promotion Exp.	123,431.00	13,761.00
Sales Tax Demand -2012-13	-	22,468.00
Diwali Expenses (Festival)	186,728.00	315,066.00
Charity and Donations	7,000.00	-
Fees & Taxes	18,308.00	18,175.00
Godwon Rent	84,000.00	-
Repairs & Maintenance (Building)	769,433.00	230,849.00
Repairs & Maintenance (Others)	201,831.00	143,893.00
Stationery & Printing	111,886.00	161,552.00
Subscription & Membership	160,588.00	73,238.00
Travelling Expenses	485,666.00	413,222.00
Trunk & Telephone	302,115.82	241,377.15
Trade Mark Registration	2,000.00	-
Vehicle Running & Maintenance Expenses.	77,132.00	129,139.00
Excise Duty Provided on stock	538,229.00	241,989.00
Bad Debts	-	1,567,079.00
Swachh Bharat Cess	7,819.00	2,473.00
Rating Charges	35,800.00	45,800.00
	86,061,639.60	93,334,027.97

Note 27

Additional Information	For the year ended 31.03.2017	For the year ended 31.03.2016
(a) Depreciation and amortization expense	7,240,884.97	7,084,877.42



Note 28**Contingent liabilities and capital commitments.**

(a) Contingent liabilities :			
Particulars	For the year ended 31.03.2017 (Rs.)		For the year ended 31.03.2016
(i) Performance Guarantee issued by the banker infavour of			
a) FCI ARAVALI Gypsum Limited and outstanding	927,000.00		937,500.00
b) Indian Oil Corporation Limited and outstanding	10,000,000.00		-
(ii) General Bond in favour of Assistant Commissioner of Central Excise Division ,Udaipur	-		240,000.00
(iii) Bond in favour of Assistant/Deputy Commissioner of Custom ,Mundra Port	27,800,000.00		17,021,000.00
(iv) Bond in favour of Assistant/Deputy Commissioner of Custom ,Mundra Port	20,380,000.00		2,674,000.00
(iv) Central Excise Duty	867,158.00		-

(b) there are no capital commitments.

Note 29

(a) Value of Imports calculated on CIF basis	For the year ended 31.03.2017 (Rs.)		For the year ended 31.03.2016 (Rs.)
Capital goods	-		2,706,770.50
(b) Expenditure In Foreign Currency :			
Travelling Expenses	31,925.00		-
Outstanding payment of Capital Goods	1,098,518.50		
Commission on Sale	1,383,724.74		590,387.28
(c) Earning In Foreign Exchange			
FOB Value of Export	105,970,003.97		32,950,779.43

(d) Value of raw materials and spare parts consumed		For the year ended 31.03.2017		For the year ended 31.03.2016	
	Raw materials	Value (Rs.)	%	Value (Rs.)	%
	Imported	-	-	-	-
	Indigenous	274,062,508.23	100.00	320,368,872.23	100.00
		274,062,508.23	100.00	320,368,872.23	100.00
	Spare Parts	Value	%	Value	%
	Imported	-	-	-	-
	Indigenous	3,505,715.13	100.00	8,257,641.39	100.00
		3,505,715.13	100.00	8,257,641.39	100.00

Note 30

EARNING PER SHARE (EPS)			
Particulars	2016-17		2015-16
Net profit after taxation for the year	462,679.63		(14,218,020.50)
Number of Equity shares for Basic /Diluted EPS	14,196,000.00		14,196,000.00
Nominal Value of Equity Shares (in Rupee)	10		10
Basic /Diluted earnings per Equity Share (in Rupee)	0.03		-1.00

Note 31

In the opinion of the Board of Directors of the Company the assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

Note 32**Defined Contribution Plan :-**

Employers Contribution to Provident fund amounting to Rs. 760944/- (Previous year Rs. 771129/-) has been included in note no. 23 under Contribution to funds.

Defined Benefit plan :-

Gratuity cost amounting to Rs. 17045/- (Previous Year rs. 17672.00/-) has been included in note no. 23 under Contribution to funds.

Note 33**Disclosures pursuant to Accounting Standard (AS) 17 "Segment Reporting"**

The Company's operations are considered to be single business segment. There is no reportable segment requiring disclosures in accordance with the Accounting Standard 17 of the Companies (Accounting Standards) Rules, 2006.



Note 34**Disclosures in respect of related parties pursuant to Accounting Standard-18****1 Holding Company**

Sat Industries Limited (became holding company w.e.f. 01.07.2015)

2 Subsidiary :

Sat E-Com Limited

3 Fellow subsidiary

Italica Furniture Private Limited

4 Key Management Personnel(KMP)

a Mr. Asad Daud : Managing Director

b Mr. Hakim S Tidiwala : Whole time Director

c Mr.Lalit Kumar Bolia : Chief Financial Officer

d Mr.Dipesh Samriya : Company Secretary

5 Entities Controlled by Key Management personnel

a Lion Housewares Private Limited

b Genext Students Private Limited

During the year there was no transaction with the subsidiary company.

During the year following transactions were carried out with the related parties in the ordinary course of business:

Transaction/Nature of Relationship				
Name of related parties	Nature of relation	2016-2017	2015-2016	Nature of transaction
Pil Italica Life style Limited	Controlled by Director's father	2,050,000.00	3,000,000.00	Loan Taken
		2,050,000.00	3,000,000.00	Loan Repayment
		-	44,795.00	Interest paid
		1,142,556.00	-	Sales
		4,614,245.00	-	Purchase
Italica Furniture Private Limited	Fellow subsidiary	18,000,000.00	15,475,000.00	Loan Taken
		30,975,000.00	2,500,000.00	Loan Repayment
		1,581,870.00	398,564.00	Interest paid
		24,000.00	8,000.00	Rent Received
		-	512,208.00	Interest Received
Sat Industries Limited	Holding Company	-	4,532,267.00	Loan Received Back
		-	6,500,000.00	Loan Taken
		-	6,500,000.00	Loan Repayment
		-	258,084.00	Interest paid
		36,000,000.00	-	Loan Given
Genext Students Private Limited	Entities Controlled by Key Management personnel	36,000,000.00	-	Loan Received Back
		24,000.00	24,000.00	Rent Received
		-	25,309,654.00	Sale of investment
		-	2,800,000.00	Loan Received back
		-	8,706,279.00	Loan Received back
Lion Housewares Private Limited	Entities Controlled by Key Management personnel	-	-	-
Mr. Asad Daud	Managing Director	-	1,550.00	Sale of investment
Remuneration	Key Management Personnel	3,830,059.00	3758295.00	Remuneration

Closing Balance	2016-2017	2015-2016
PIL Italica Lifestyle Private Limited	2223612CR	-

No amount in respect of the related parties have been written off/back during the year.

Related party relationship has been identified by the Management and relied upon by the auditors.

Note 35

Disclosures of the detail of Specified Bank Notes (SBN) held and transacted during the period

	SBNs	Other denomination Notes*	Total
Closing cash in hand as on 08.11.2016	3,613,000.00	15,880.45	3,628,880.45
(+) Permitted receipts*	-	1,118,340.00	1,118,340.00
(-) Permitted payments	-	1,075,041.00	1,075,041.00
(-) Amount deposit in Bank	3,613,000.00	-	3,613,000.00
Closing cash in hand as on 30.12.2016*	-	59,179.45	59,179.45

*includes cash withdrawn from the banks.



Note 36

In the opinion of the Management there is no impairment of assets in accordance with the Accounting Standard -28 on the date of the balance sheet.

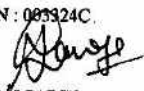
Note 37

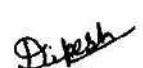
There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2017

As per our Audit Report Attached


Signatures to the Financial Statements and Notes


for and on behalf of
SAMPATILAL BOHARA & CO.,
Chartered Accountants
FRN : 003324C

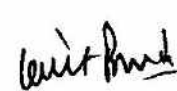

AJAY SARIYA
Partner
M.No. 079102


DIPESH SAMRIYA
Company Secretary
M.No. A41568

for and on behalf of the Board


ASAD DAUD
Managing Director
DIN-02491539


HAKIM S TIDIWALA
Wholetime Director
DIN-00119156


LALIT KUMAR BOLIA
Chief Financial
Officer

Udaipur, April 28, 2017

