



Diversified business.



Unified purpose.



Inside the document

Strategic Review

- 02 Introduction
- 04 Key Entities
- 06 Aeroflex Industries
- 08 Sah Polymers
- 12 Genext Students
- 14 Investments in startups
- 16 Board of Directors
- 18 Strategic Priorities
- 20 Key performance indicators
- 22 Letter to Shareholders
- 26 Management Discussion and Analysis

Statutory Reports

- 36 Directors' Report
- 55 Report on Corporate Governance

Financial Statements

- 67 Consolidated Financial Statement
- 116 Standalone Financial Statement

 Read the report or download at satgroup.in



Diversified business. Unified purpose.

SAT Industries aims to ensure value creation for all its people, clients, stakeholders and communities. The Group is invested in the growth of its stakeholders and creating long-term associations with them. With this in mind, the Group has diversified its business portfolio to include interests in a variety of industries that include Bulk Packaging Solutions, Flexible Flow Solutions, Investments, Finance, and EdTech, to name a few.

Besides being resolved on its vision, the Group also imbibes values and mindsets that are core to its existence - transparency, integrity and respect. These values guide the Group to make authentic decisions that are rooted in the Company's belief systems. Being in a diverse environment, it also needs to stay abreast of the myriad external and internal environments, while also implementing robust strategies to deliver maximum value to its stakeholders. SAT Industries prides itself on being able to ascertain and predict future trends, and that is what keeps the Group moving from strength to strength.

This diverse business group, unified in its goals, values and mindsets, has built a solid foundational bedrock for its existence which indeed navigates it to prioritise its stakeholder interests.

Safe Harbour Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

While its businesses may be diverse, the Group is united in its vision to become a world-class products and services provider.

Introduction

Incubating world-class business ideas

With almost four decades of experience, SAT Industries Limited (SAT) is an incubator of conventional cash-flow generating businesses and new-age startups alike. It is a listed entity aiding tomorrow's businesses with diverse businesses ranging across multiple industries under its portfolio. Some of the key business activities undertaken by its various subsidiaries and associates are manufacturing, education, leasing, domestic trading, import and export, finance and investments.

SAT has been listed on the BSE Limited since 1985, and in these years, it has garnered a reputation of being a transparent and ethical group delivering value to its stakeholders.

The effectiveness of SAT's business model is reflected in the success of companies operating under its wing, either directly as subsidiaries, or indirectly under its aegis as an incubator or investor.

It is an investor and strategic partner to numerous startups engaged in various industries. As it advances, SAT hopes to continuously foray into businesses that add value to its stakeholders.

Company Snapshot

Offices located in **Mumbai, Dubai, London** and plans to set up an office in the USA

Presence in more than **100 countries** through its group companies

Investments in **108 startups** spanning **27 sectors**

Unique business model, perfectly balanced between core cash-flow generating businesses, and investment in high-growth disruptive startups

Total people strength across the group **890**



Our Vision

To provide world-class products and services that transform lives.



Our Mission

To be the best in the eyes of our customers, employees and stakeholders.

Key Entities

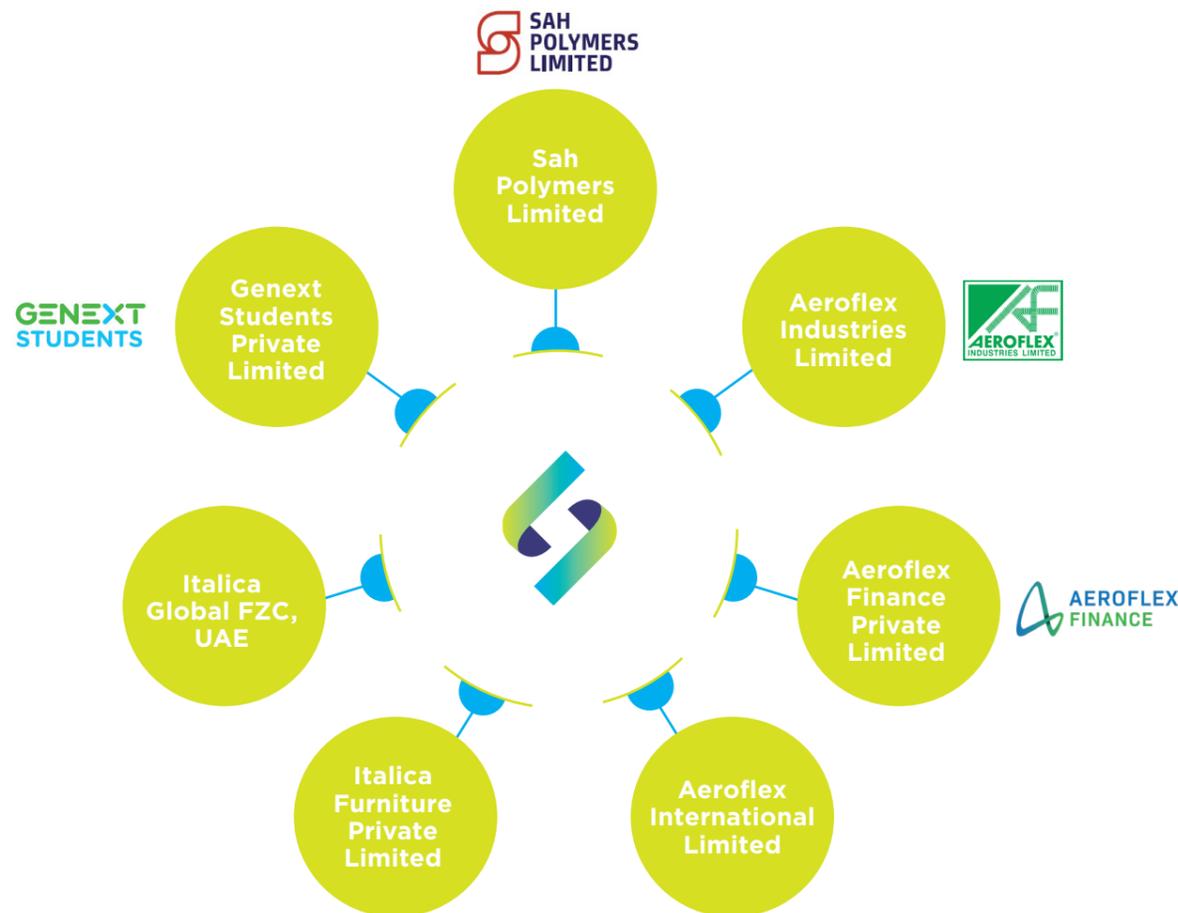
Marking an indelible presence across sectors

Having multiple businesses across 7 industries, under one overarching and unified business structure, and active investments across 27 sectors - SAT Industries is a force to be reckoned with.

Its capabilities and expertise range from manufacturing to education to finance & investments, and beyond. While this requires copious amounts of knowledge and business acumen, the Group has successfully gathered the same from its multi-sectoral and industry presence. Today, each of its businesses excels in its respective domain to add value

to its stakeholders and the Group at large. What sets SAT apart is its ability to decentralise, which enables its business to operate as separate entities, functioning with a great degree of autonomy while also being tied to the Group for its value alignment.

SAT Industries is a multi-business group that has interests across several industries. As of March 2022, it has six subsidiaries, five Indian and one foreign. It also has a Strategic partnership company under its Group.



Sah Polymers Limited

Manufacturer and exporter of PP woven bags, box bags, BOPP laminated bags and Flexible Intermediate Bulk Containers (FIBCs). In addition, it also holds a 51% stake in Fibcorp Polyweave Private Limited.

Flexible Bulk Packaging

Indian Subsidiary

91.79%



Aeroflex Industries Limited

Manufacturer and exporter of SS Corrugated Flexible Flow Solutions, which include stainless steel flexible hoses and assemblies.

SS Flow Solutions

Indian Subsidiary

98.70%

(includes indirect holding)



Aeroflex Finance Private Limited

A Type-II Non-Deposit taking NBFC registered with RBI, engaged in financing activities, including providing loans and advances to MSMEs for their working capital and expansion-related requirements. It also provides consumer loans, loans for education (primary, secondary and higher education and skill development), and loans to corporations & firms.

Lending & Financing

Indian Subsidiary

100%



Aeroflex International Limited

Engaged in manufacturing and import-export of plant & machinery of engineering products used for industrial, agricultural and domestic use.

Import-Export trade

Indian Subsidiary

100%



Italice Furniture Private Limited

Engaged in the business of leasing moulds and machines for plastic furniture and investment in budding and enterprising startups.

Plastic Furniture

Indian Subsidiary

100%



Italice Global FZC, UAE

Engaged in general trading.

Trading

Foreign Subsidiary

100%



Genext Students Private Limited

Engaged in providing a hybrid tutoring platform combining private home tutoring and technology-enabled learning, along with a SaaS based online platform for the tutoring community.

EdTech

Strategic partnership with Navneet Education Group

18.79%

Aeroflex Industries

India's leading manufacturer of flexible flow solutions

Aeroflex Industries is India's leading and one of the globally renowned manufacturers of stainless steel ("SS") flexible flow solutions, that include SS flexible hoses and assemblies. Due to their extreme durability, temperature resistance, lower carbon footprint, better safety standards, and longer average product lifecycle, SS flexible flow solutions are increasingly replacing conventional flow solutions at an accelerated pace.

Key Certifications

ISO 9001:2015 (Quality Management System)

ISO 45001:2018 (Occupational Health & Safety Management System)

ISO 14001:2015 (Environment Management System)
ISO 14000, 9001-2000 company certified by RWTUV, Germany



"Commitment to Excellence"

Further, with the growing importance of sustainability and sustainable products in global supply chains, SS flow solutions have emerged as a better alternative to rubber and other unsustainable materials. Over time, the Company aims to leverage this rapid adoption of sustainable choices to enable institutions to switch over to Aeroflex's superior quality flexible flow solutions.

What sets the Company apart is its excellent product profile, which is capable of withstanding high temperatures, shocks and vibrations, thus delivering resilience and superior performance. This is attributable to the Company's persistent focus on R&D and its vigilant quality

management systems, which puts it at a significant global advantage compared to its Chinese and other Southeast Asian counterparts. On the back of the superior quality standards that Aeroflex adheres to, it has created a name for itself in the export markets, thus making exports a major contributor to its revenues.

The Company manufactures a full range of metallic flexible hoses and hose assemblies in authentic stainless steel with grades AISI 304, 321, 316 & 316L, in accordance with the highest international quality standards. In addition, its stainless steel corrugated flexible hoses conform to BS 6501 part-1 standards and are manufactured as per type A, B, and C flexibility.

A globally established brand in the flexible flow solutions industry



Our Vision

To build and consolidate our leadership position through successful collaborations, market intelligence and through research & development.



Our Mission

To excel and become a world leader in the field of Flexible Flow Solutions, ensuring complete customer satisfaction, by understanding and anticipating their needs.



Our Purpose

Commitment to excellence.



Our Values

Aeroflex is a people-centric organisation that strongly believes in empowering professionals with strong character and ethics.

Manufacturing facility

11 million metres of manufacturing capacity of SS Corrugated Flexible Flow Solutions

Ultra modern, state-of-art facility at Taloja, Navi Mumbai, spread over 8.2 acres

Products

240+ quality products manufactured **Complete range** of flexible flow solutions, from 3/4" to 14"

- Corrugated flexible hoses
- Braided hoses
- Hose assemblies

Strictest adherence to **global quality standards**

351-team strength at Aeroflex

Clientele

Aeroflex has a strong clientele comprising multinational companies from around the globe and reputed domestic brands, across all industrial segments.

Global Presence

A 2 star export house generating **90% of sales from exports**

Presence in more than **80 countries**

Application industries

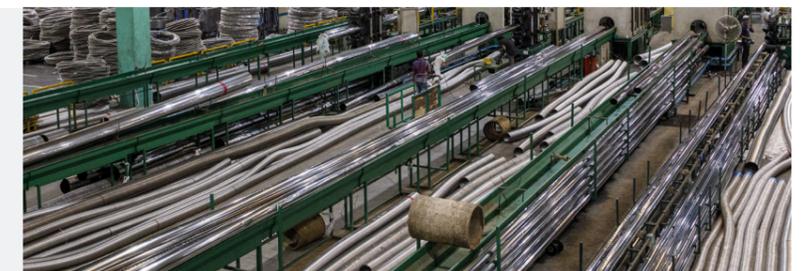
Current

- Manufacturing & Processing
- Mobility
- Oil & Gas (Exploration, refining)
- HVAC (Heating, ventilation, and air conditioning)

Emerging

- Aerospace & Satellites
- Renewables (Solar)
- Lithium-Ion Battery Management
- Robotics, Drones & Semiconductor Industry

Key Highlights



Sah Polymers

An emerging force in the Indian FIBC & bulk packaging solutions industry

A pioneer in the packaging industry, with over three decades of experience in manufacturing, trading and exporting of a diverse portfolio of customised bulk packaging solutions, that find application across multiple industries.



The Company manufactures and exports Flexible Intermediate Bulk Containers (FIBCs), Polypropylene (PP), High Density Poly Ethylene (HDPE) woven bags and BOPP laminated bags and HDPE/PP woven fabrics of different sizes. In its 30 years of existence, Sah Polymers has carved out a niche for itself by redefining packaging solutions and focusing on the emerging needs of its clients and user industries.

As opposed to the more traditional <100 kg packaging solutions, the Company has recently concentrated on meeting the needs of the emerging markets for higher capacity packaging solutions, i.e. 1 to 2.5 tonnes. In addition to optimising the package-to-product ratio, these higher capacity solutions also reduce logistical expenses, make freight handling easier, and are certainly more eco-friendly. Furthermore, the Company is concentrating on customised solutions as per the unique demands of the client, especially keeping in mind the

filling technique and infrastructure at the client's end, while also delivering solutions for the evolving industry requirements.

With the acquisition of Fibcorp, the Company has further solidified its market positioning, acquired good talent and newer technology, and furthered its export market presence. In addition, the Company is also undertaking organic expansion activities to meaningfully increase production capacities and focusing on products that will optimise profitability margin; all of these facets make Sah Polymers confident in leveraging the upcoming opportunities in its domain.

Sah Polymers Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations to make an initial public offer of its Equity Shares and has filed the DRHP with SEBI on April 21, 2022.



Our Vision

Our culture is a combination of the entrepreneurial spirit of a startup with the strength and capabilities of an established organisation, driven by a knowledgeable and experienced management team. Our vision is to become the worldwide leader in the Plastic Packaging Industry.



Our Mission

Our Mission is 100% satisfaction of our customers with continued research and development, value-added products and world-class services, and a long-term business relationship.



Diversified business. Unified purpose.

One of the **leading exporters** of FIBCs, PP Bags, fabrics and Box bags with exports spread across **28 countries**, including USA, Italy, France, Portugal, Greece and UAE

Strategically focused on higher load bearing capacity (1 to 2.5 tonnes) bags and **profitability assertive packaging solutions**

274 people strength

Consistent **revenue growth of 21% CAGR** from ₹ 456.12 million in FY19 to ₹ 812.35 million in FY22

Increasing share of exports in total revenue over the years from **52.54% in FY19 to 57.88% in FY22**

*Total revenue includes consolidated revenue of Sah Polymers Limited and Fibcorp Polyweave Private Limited for FY22

Sah Polymers

Sah Polymers' Growth Drivers



Superior in-house manufacturing technology and expanding capacities

With a diversified portfolio of bulk packaging solutions focused on quality, Sah Polymers has a state-of-the-art manufacturing facility equipped with the latest technology and machinery located in Udaipur, Rajasthan. This facility is spread across 8,000 sq. mtrs. area and has a construction area of 65,000 sq. ft. and a total capacity of 3,960 MTPA. In addition, the Company has added a new plant in Village Modi, Udaipur, to expand its capacities further and provide a world-class experience to its customers by enabling customisation options. This plant is spread across 16,000 sq. mtrs. area, adding another 3,960 MTPA capacity to Sah Polymer's business.

Sah Polymers has two tape plants, a lamination plant, and multiple other assets. It has Nova-6 and LSL-6 looms for manufacturing fabric with widths up to 75cm, and HDN-6 and LSL- 620 looms for manufacturing wider width fabric.



Acquisition of Fibcorp Polyweave Private Limited

Fibcorp Polyweave Private Limited is engaged in manufacturing various types of bulk bags and is one of the fastest growing companies in the FIBC business segment, exporting its products in 18+ countries, and with a wide application across sectors. In FY22, Sah Polymers acquired a 51% stake in Fibcorp Polyweave Private Limited, thus making it a subsidiary of Sah Polymers Limited.

This move was primarily made to expand its existing business and market opportunities in the FIBC segment, thus creating greater value for its stakeholders.

Key Certificates & Recognitions



ISO 9001:2015 - Quality Management Certificate



One Star Export House - Certificate of Recognition

Key Industries Catered to

Agro Pesticides Industries

Basic Drug Industries

Cattle Feed Industries

Cement Industries

Chemical Industries and Fertilizer Industries

Food Products' Industries

Metal & Mineral Industries

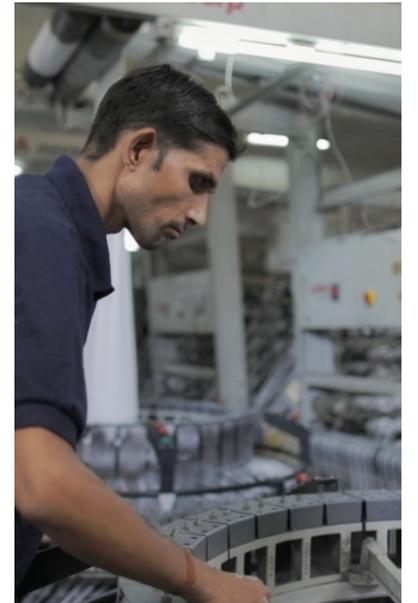
Paper Mill Industries

Salt Industries

Textile Industries

Tyre Industries

And many more



Superior Quality Control Systems

We strongly believe in adhering to the highest standards of quality controls. The extensive internal quality inspections and quality control audits ensure that only the best quality product reaches our customers. Our quality control process is spread across various stages of manufacturing, right from the raw material section up to the packaging section. Thorough quality checks are undertaken at the weaving, printing, lamination, cutting, stitching, sorting, and final packing sections.

For inspection and quality control audit, we have the latest technology and instruments, which include Universal Tensile Tester (UTM), Dial Gauge Meter, Micrometer, GSM Cutter, Wrap Reel, Water-Bath, De-Lamination, Muffle Furnace, Hot Air Oven, Environmental Condition Simulation Chamber, Visibility Chamber and Electronic Balance.

Products and its Application

Container Bag



Bulk Packaging Industry

BOPP Bags



Food and Fertiliser Industry

Woven Sacks



Packaging of Cement, Fertilizer, Food Grain & Seeds, Sugar, Salt, Oilseeds, Chemicals, Bale covers, Geo-Textile, etc.

FIBC (flexible intermediate bulk container)



Construction, Mining and Agriculture Industry

PP/HDPE Woven Fabric rolls



Used as Wrapping Fabric

Genext Students

A unique proposition in the EdTech industry

With a revolutionary new idea, Genext Students was incorporated in 2011, enabling virtual education for students across India. Genext Students provides a Virtual Education Management System that empowers institutes by automating their everyday activities and helping them focus on their core activity of teaching. While virtual education today is much more relevant and almost a necessity than it was in 2013, Genext Students had created this platform ahead of its time, predicting the move of the education industry from offline to digital.



EdTech is one of the fastest-growing industries in the world currently, and Genext Students is ready to leverage this opportunity and create a strong name for itself.

Advantages of Genext VEMS for education institutes

Virtual education platforms, such as Genext VEMS, create a seamless experience for tutors by reducing their efforts on operational activities and enabling them to save time for more critical aspects, such as teaching and learning.

Moreover, educational institutes stand to gain from it even further, as it helps reduce the time taken for administrative and class management tasks, thus leaving room for providing further creative educational tools to its students.

Here's how educational institutes can benefit from Genext VEMS:

100+
institutes catered to

1,000+
tutors onboarded

2.5 million+
students onboarded

395 thousand
students onboarded in FY22

Amplifying their brand online	Helps the institutes expand their reach across the world through a personalised website that can cater to a larger volume of students
Saving critical time	Institutes can get more done in less time by reducing manual and operational work, which the platform helps organise
Increasing earning potential	Institutes can cut costs, especially administrative costs, and increase their revenues by catering to more students

Key features of Genext VEMS

Setting up a digital footprint
Creating a customised website with complete branding control

- Personalised domain name
- Logo & brand visibility
- Tailored content

Content Management
Sharing class content and homework with students in real-time

- Designing subject-wise lesson plans
- Uploading and sharing text, images and videos
- Setting-up a digital content library

User Management
Registering and managing profiles of administrators, tutors and students with a few clicks

- Creating unlimited accounts
- End-to-end data encryption
- 100% user privacy

Live Online Classes
Teaching students across the globe

- Up to 100 students in 1 session
- Whiteboard with educational tools
- Enhancing student control options

Event & Communication
Making a calendar of events for tutors and students

- Setting-up role-based events
- Creating tailor-made view
- Email and SMS notifications

Batch Management
Creating batches and assigning tutors on the go

- Setting-up unlimited classes and subjects
- Creating time-table easily
- Automated reminders

Activity Tracking
Recording attendances and receiving regular comprehensive reports

- Attendance marking for online and offline classes
- Daily and monthly reports
- Automated notifications to parents

Investments in Startups

Investments in startups with innovative and disruptive business models

In the last couple of years, India has emerged as one of the epicentres for entrepreneurship. India has the third-largest startup ecosystem in the world. The number of startups continues to grow with each passing year, and entrepreneurship is the new key trend in this highly consumer-driven Indian market. In fact, Indian startups raised \$14.3 Bn funds in just the first four months of 2022. In this promising atmosphere, SAT Industries (through itself and its various subsidiaries) acts as an enabler for many of these budding entrepreneurs and their innovations.

Its defined processes and a professional team of analysts conduct research and due diligence, along with providing operational inputs and necessary bandwidth to manage the startup portfolio. Further, it also invests in several VC funds, which in turn invest their corpus in various startups.

Going forward, SAT aims to expand its sectoral presence by strengthening its presence in its current sectors while also branching out to other lucrative sectors.

Our Vision



To foster the spirit of entrepreneurship and provide fuel for the growth of young innovative companies.

Sectors Invested



FoodTech, EdTech, e-commerce, hyper-local services, digital media portal, hyper-local Advertising, virtual reality products, Artificial Intelligence enabled research platform, IoT products among others.

Major Invested Companies



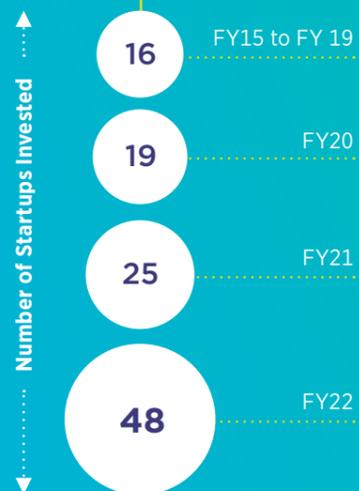
1Crowd, Eduvanz, LenDen Club, Creditas (Clear my dues), Beardo, Ketto, Confirm Tkt and Inc42.

Major Investments in Funds



India Quotient Fund, Artha Venture Fund, 9 Unicorn Fund, Beams Fintech Fund and Blinc Fund II.

Startup Investments



SAT Industries has a diverse investment portfolio, and as of March 31, 2022, it has invested in 108 startups spanning 27 sectors. In FY22 alone, the Group and its subsidiaries invested in 48 startups. These investments have been carefully evaluated on their vision and strategic objectives, and have been selected based on their potential positive impact on the society. In its bid to partner with early-stage companies, it only invests in seed and pre-seed stages, thus becoming a crucial part of the growth journey of these companies. SAT being a part of many startup incubator platforms, focuses on innovative, technology-oriented companies that disrupt and challenge traditional industries.

The Company has launched a "Get Funded" tab on its website for founders looking for funding across various sectors.

Key Startup Investments



India Quotient Fund
India Quotient



9 Unicorn Fund
9 Unicorn



Artha Venture Fund
Artha Venture



Creditas Solutions Private Limited
Clear My Dues



DGC Tech Limited
DCG Pac

Successful Startups Exits

Name of the Company	Invested in	Exited in	XIRR/Return from investment
Ketto Online Ventures Private Limited	2015	2021	30.95%
Eduvanz Financing Private Limited	2017	2020	48.53%
Confirm Ticket Online Solution Private Limited	2015	2021	35.41%
Absentia Virtual Reality Private Limited	2016	2020	20.12%
GetupForChange Services Private Limited	2015	2022	17.86%

Board of Directors

The stalwarts of SAT Industries

Board Committee's Key

(A) Audit Committee

(N) Nomination and Remuneration Committee

● Chairman

● Member

(S) Stakeholder Grievances Committee

(C) Corporate Social Responsibility Committee



Mr. Asad Daud
Non-Executive Director

(C)

Mr. Daud possesses over 12 years of experience in the Manufacturing Industry. At SAT, he is entrusted with the responsibility of supervising management and operations of the Company. He is heavily invested in leading the innovation and expansion capabilities of the Company.

Mr. Daud has pursued an M.Sc. degree in Accounting & Finance from the prestigious London School of Economics and Political Science. He is also entrusted with CAPEX planning for growth, development of products, and geographic expansion within India and abroad.



Mrs. Shehnaz D. Ali
Executive Director

(S)

Mrs. Ali has a diverse business experience of over 20+ years. At SAT, her contributions have been towards leading the team responsible for startup investments, and also leading the Group's CSR activities.

Mrs. Ali graduated as a Bachelor of Science from University of Rajasthan in 1987.



Mr. Harikant Turgalia
CFO & Executive Director

(A) (S) (C)

Mr. Turgalia has a wide experience of over 34+ years in the manufacturing, trading and finance industry. At SAT, he is responsible for finance and management.

Mr. Turgalia holds a Bachelor's degree in Commerce from University of Udaipur.



Mr. Ramesh Chandra Soni
Non Executive & Independent Director

(A) (N) (S)

Mr. Soni has a rich experience of over 36 years in accounts, finance, banking, taxation etc. He has contributed to SAT by providing expertise in Financial & Secretarial matters.

Mr. Soni is a practising Chartered Accountant, and a fellow member of the Institute of Chartered Accountants of India.



Mr. Nikhil Raut
Non Executive & Independent Director

(A) (N) (C)

Mr. Raut has a solid experience of over 10 years in finance and accounts. His contribution in financial matters has been instrumental for the Company.

Mr. Raut holds a Bachelor's degree in Commerce from Mumbai University.



Mr. Parthasarathi Sarkar
Non Executive & Independent Director

Mr Parthasarathi Sarkar holds an MBA from IIM Ahmedabad and B.Tech. (Hons) from IIT Delhi, and has been appointed as an Independent Director of our Company. He has over 40 years of experience in the field of Finance & Investment Banking. He was the Managing Director of Tata Finance Limited and has work experience with Tata Administrative Services, wherein he worked directly with Mr Ratan Tata.



Mr. Arpit Khandelwal
Non Executive & Independent Director

Mr Arpit Khandelwal is a qualified CA and CFA and has been appointed as an Independent Director of our Company. He has over nine years of experience in the field of Banking, Technology, Treasury, Finance & Risk Management. Mr Khandelwal, a young & enterprising professional, will provide his contribution towards Risk Management, Corporate Laws, Indirect Taxes and International Trade Laws for the Company.

Strategic Priorities

Our strategies to capitalise on the future

Running a diverse business group with multiple interests and expertise mandates well-thought-out and frequent strategic inputs, which not only help the businesses grow but also align them to the central values of the Group. As a result, SAT steers its businesses towards a unified purpose and ensures that the businesses reach the end goal with their heads held high.

The Group has identified certain core strategic priorities for its various businesses



Continue to drive the expansion of core cash flow generating businesses

SAT is poised for growth, and is currently evaluating organic and inorganic growth strategies to cement its industry positioning. At present, its core businesses - Aeroflex Industries and Sah Polymers, continue to undertake expansion plans to grow and excel in their respective domains. Moreover, SAT Industries is known to empower its cash-flow generating businesses to pursue their growth objectives at their own respective paces.



Strong focus on value-added niche products

The overarching philosophy of SAT Industries, its group companies, is to differentiate themselves from commoditised and standard products. Consequently, it actively focuses on providing bespoke solutions to its varied clients from their respective industries, by laying emphasis on emerging industry trends. By doing so, the Group and its entities not only create value for its varied customers across industries, but it also enhances its growth opportunities and profitability margins along the way.

At present, its two businesses Aeroflex Industries and Sah Polymers, are focusing on value-added products for its customers. The former with its superior quality products, is working to cater to emerging manufacturing sectors such as aerospace & satellite, renewables, robotics, battery management, among others while the latter is engrossed in building higher-capacity and customised bulk packaging solutions for its clients.



Listing core businesses as separate entities

SAT Industries pursues a decentralised organisational & management structure, facilitating respective subsidiaries to function with autonomy while also maintaining a balanced oversight. This is in pursuit of establishing individual business entities that will get listed on stock exchanges upon maturing. Sah Polymers is the foremost company which is enroute its IPO, with its filing completed (regulatory approvals awaited) and its listing potentially to be undertaken in FY23. After its listing, Sah Polymers will be well-capitalised to pursue its expansion plans and its other ambitions to become a business entity seeped in growth strategies. In the near future, the Group aims to deploy a similar strategy for its other maturing and growing subsidiaries as well.



Building an extensive startup portfolio

After funding the various ambitions of its subsidiaries, SAT Industries strategically deploys surplus capital into a carefully curated portfolio comprising high-growth startups. This strategy helps the Company deliver outsized returns to its stakeholders and drive long-term value creation for them. From FY23 onwards, the Company plans to invest in about at least 40 to 50 additional startups each year, thus building on its current base of 108 startup investments. To enable this, the Company has a planned annual capital outlay of ₹ 12 to ₹ 15 crores, with investments ranging from ₹ 10 lakhs to ₹ 2 crores on a case to case basis. With this strategy in place, the Company aims to achieve its ultimate goal of curating a well-diversified and high-growth potential portfolio of **500 startups by FY26.**



Successful exits from maturing startup investments

The Group has benefitted well from successful exits from some of the startups, such as InnoFin Solutions, Beardo, and Ketto, among others. The Group anticipates some more successful exits in FY23. Going forward, it will aim to continue this trend, successfully exiting maturing startups and focusing on adding newer startups to its repository of investments.



Long-term value creation for all its stakeholders

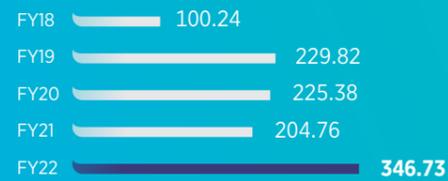
For SAT Industries, inclusive growth and value creation for its stakeholders is not just an objective but is also a part of its DNA. Therefore, the Group will continue to focus on expansion, in both cash-generating businesses and investment in high-growth startups, to deliver balanced growth and value creation for its stakeholders. In the coming years, SAT aims to be a respected incubator of conventional and new-age businesses alike, with the core purpose of value and wealth creation for its stakeholders.

Key Performance Indicators

A closer look at our performance

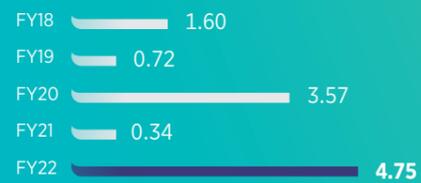
Revenue from Operations

(₹ in crore)

36%
CAGR


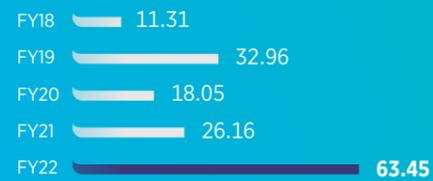
Other Income

(₹ in crore)



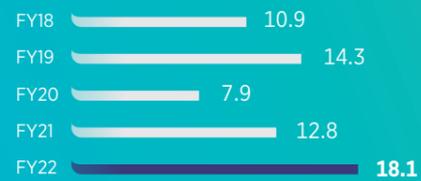
Operating Profit

(₹ in crore)

55%
CAGR


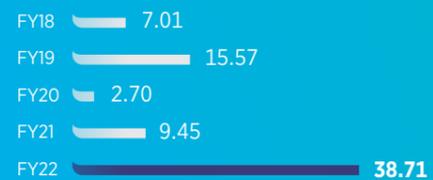
Operating Profit Margin

(in %)



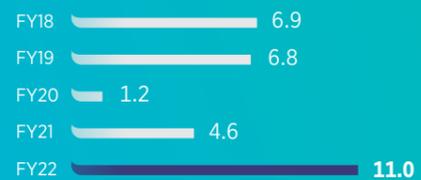
Profit after Tax

(₹ in crore)

53%
CAGR


Profit after Tax Margin

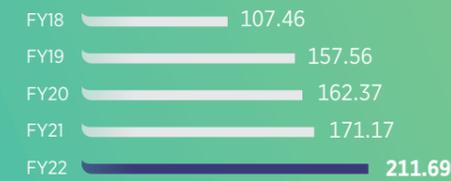
(in %)



SAT Industries has delivered a robust financial performance in FY22 on the back of superior performance of its core subsidiaries - Aeroflex Industries and Sah Polymers. Its performance is a reflection of its strong core values and its competence in strategising for exponential growth. The Company is confident that going forward, its investments and various businesses will continue to align with changing industry trends, thus growing leaps and bounds in the respective industries.

Equity

(₹ in crore)

18%
CAGR


Total Debt to Equity

(in times)



Working Capital Days



ROCE

(in %)



ROE

(in %)



Pushing the throttle on growth



The Company recorded its highest ever consolidated topline of ₹ 346.73 crores this year, compared to ₹ 204.76 crores in the previous year, rendering a staggering 69% increase.

This growth can be attributed to the significant increase in the scale of operations for both of our flagship businesses, i.e. Aeroflex Industries & Sah Polymers.”

Mr. Asad Daud
Director

Dear Shareholders,

I am excited to share our annual performance review for the year 2021-22 with you. Firstly, I would like to express my gratitude to you, for your continued support and enthusiasm. We value your interest in our business, and hope to contribute meaningfully to your lives, as we have all this while.

Year under review

FY22 has been an eventful year on all fronts - financially, operationally and otherwise. The Company recorded its highest ever consolidated topline of ₹ 346.73 crores this year, compared to ₹ 204.76 crores in the previous year, rendering a staggering 69% increase. This growth can be attributed to the significant increase in the scale of operations for both of our flagship businesses, i.e. Aeroflex Industries & Sah Polymers. Further, I am happy to share that both these businesses are on a solid growth track, delivering stellar results through a mix of organic and inorganic growth strategies. Further, our EBITDA margins witnessed an overall increase of 530 bps from 12.8% in FY21 to 18.1% in FY22. This significant change in margin profile has been accrued from a variety of factors, including a growing focus on value-added products in both our businesses, Aeroflex Industries & Sah Polymers. Other contributing factors to this growth include higher capacity utilisations and benefits from operative leverage kicking in due to growing economies of scale. Subsequently, our PAT for the year stood at an all-time-high of ₹ 39.76 crores compared to ₹ 8.80 crores in FY21, a massive increase of 352% year on year. Our stupendous performance in FY22 bolsters our faith in our abilities to emerge as a superior business group with diverse interests.

We are confident that we are headed in the right direction.

Now on the operational front, we achieved a significant milestone for Sah Polymers by acquiring a majority 51% stake in Fibcorp Polyweave Private Limited, to double down on our commitment to scale the FIBC product segment under Sah's ambit. With this, we envision a whole new realm of opportunities opening up in the FIBC space for Sah, and especially in the niche products that it aims to scale up. Apart from this, we expect the China+1 strategy to bode well for us, as we are already witnessing some rub-off effects in the bulk packaging industry, where earlier, China was a meaningful competitor for India. Moreover, increasingly global buyers will continue to de-risk themselves by seeking other hubs such as India, which will open up further opportunities for us to grow in this industry. These factors combined solidify our position in the FIBC market, and we are confident about capitalising on all such opportunities going forward.

Continued focus on scaling startup portfolio

At SAT, after funding our core businesses' growth and expansion ambition, we have strategised to invest our surplus capital in high-potential startups. This is a conscious and well thought-out strategy aimed at delivering exponential value creation for our stakeholders. While scouting for potential startups to invest in, we primarily look for the ones in the pre-seed or seed-stage leveraging technology to disrupt traditional business models. We fund startups with innovative business models that have the potential to disrupt markets. We believe that in doing so, we will be able to partner with such startups quite early on, thus becoming an indispensable part of their growth journey.

In FY22, SAT Industries invested in a record 48 new startups, taking its total count to 108 startups spanning 27 sectors. Further, in FY22, our startup portfolio has enriched itself with the addition of many high-impact and high-growth companies. These young innovative startups are extremely promising, and we are confident that we will witness some of them emerge as giants in the coming future. Some of the new startups we have backed in FY22 include DCG Tech, Raskik, Broomees, LeverageEdu, Kalagato, Resha Mandi and many more. Moreover, some of our investee companies are expected to mature into successful exits in the coming financial year 2022-23, delivering a healthy IRR on our portfolio.

Going forward, we aim to maintain a run rate of at least 40 to 50 additional startup investments every year with a planned capital outlay of ₹ 12 to 15 crores while marching towards our long-term objective of having 500 startups in our portfolio by FY26. We not only plan to double-down on select sectors and startups we are already in, but we have also identified certain additional high-potential sectors that we would like to be present in. Given the pace at which India's startup ecosystem is growing and thriving, with active support from the Government of India, we are very bullish on being a part of such an ecosystem. India is not only the hotbed for startups, but its diverse sectoral contribution is also noteworthy. We hope to ride this wave and create a meaningful and long-term impact on society. Another critical aspect of SAT's startup portfolio as an impact-driven and geographically agnostic investor is that a significant part of our investments hails from tier-2 and tier-3 cities. We consider it a responsibility to nurture and assist these startups operationally, to help them make it big despite their geographical roadblocks.

Mix of organic and inorganic growth, a constant at SAT

We don't always believe in reinventing the wheel here at SAT. In fact, we believe in grabbing lucrative opportunities that present themselves after

analysing their associated risks. If said opportunities can be harboured through inorganic growth, we do not shy away from it. Inorganic growth transactions have been a part of SAT's DNA for a long time. In the past, we have made strategic transactions to accelerate our growth or consolidate our position in the market.

We understand that in order to achieve our ambitious growth objectives, we must opt for a mix of both organic and inorganic strategies, and that is exactly what we do. Therefore this can be said with some degree of certainty that this stance of ours will remain a constant going forward as well, as and when we come across interesting opportunities in our domain.

IPO of Sah Polymers

Sah Polymers, one of our material subsidiaries, has reached yet another significant milestone in its journey by filing its DRHP with SEBI on April 21, 2022 for its Initial Public Offering. We are excited and look forward to opening our issue in the coming financial year 2022-23. Post this issue, Sah Polymers will be well-capitalised to deliver on its ambitious expansion plans and will be in a favourable position to leverage the upcoming opportunities in the bulk packaging industry. As we move forward, SAT Industries plans to independently list more of its subsidiaries on the stock exchanges, empowering them to function and grow in a more decentralised manner as separate individual entities.



Outlook

Every year, our confidence in our business model keeps growing, and our purpose gets validated further, fuelled by our evolving performance and your belief in us. Going forward, we will continue to push the throttle on growth in both aspects of our business, i.e. core cash-generating operations and high-growth-potential startups. In our well-established businesses, both Sah Polymers and Aeroflex Industries are witnessing growth and opportunity trends.



At Aeroflex Industries, we have been focusing on catering to the emerging manufacturing sectors such as aerospace & satellite, renewables, battery management, robotics, drones and semiconductor industries. What makes these sectors interesting and challenging are the facts that these sectors have very differentiated product requirements, adherence to the strictest quality standards, therefore adding significant entry barriers as well. At present, we have been prototyping products for some of these industries, and are happy to share that we are well within the gestation period of developing and receiving final product approvals for some of these industries. In the long term, we aim to have a good portion of business from these emerging sectors, further differentiating us from standard SS flow solution manufacturers.

SAT is prepared, excited and well-capitalised to fund growth for its own subsidiaries and startups alike.

As for Sah Polymers, we have been focusing on leveraging the ever-expanding demand for FIBC all this while. In addition to that, India's growing share in global FIBC supply has added further impetus to our strategies, as we now focus on capitalising on industry trends such as a shift to higher capacity (1 to 2.5 tonnes, instead of standard <100 kg solutions) and customised bulk packaging solutions. We believe that this will not only allow us to grow faster, but also help us optimise our profitability margins, enabling us to move towards further customisation and value-addition product categories.

Conclusion

All in all, we are optimistic about our future, as we gear for growth on all fronts. SAT is prepared, excited and well-capitalised to fund growth for its own subsidiaries and startups alike. Your enthusiasm and belief keep us going, and we hope to receive such overwhelming encouragement as we move forward in our journey. Lastly, I would like to take this opportunity to thank all of our shareholders, investors, team members, clients and other stakeholders for being such a source of incredible support for us at SAT. We are truly grateful.

Regards,

Mr. Asad Daud
Director

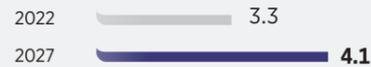
Management Discussion and Analysis



Global Stainless Steel Hose Market

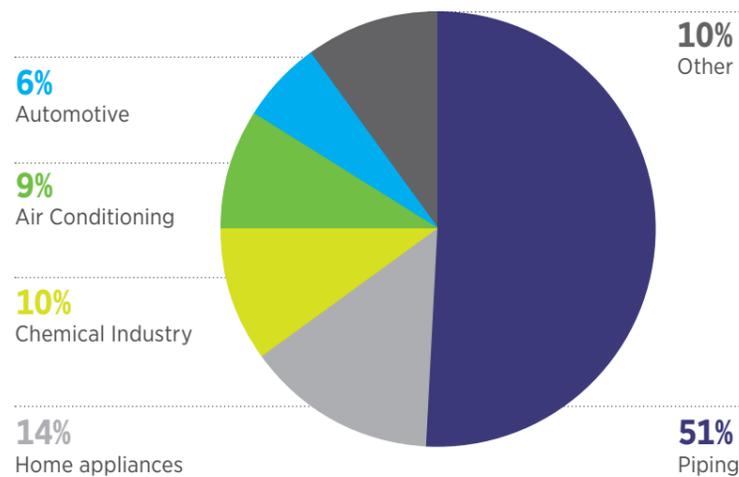
The global Stainless Steel Flexible Hose market is valued at USD 3.25 Bn in 2022, up from USD 2.77 Bn in 2017, delivering a CAGR of 3.32% over the last 5 years. Furthermore, due to its accelerated adoption, the industry is expected to grow at a faster pace in the coming 5 years to USD 4.04 Billion by 2027, delivering a CAGR of 4.48%. In terms of volume, the global industry's production stood at 311.4 million metres in 2022. In terms of product categories, the market is broadly divided into two i.e. Strip-wound Hoses that account for a minority 24.30% share and Corrugated Hoses that account for a staggering 75.70% market share. Over the last 5 years, Strip-wound Hoses have slowly and steadily lost their already miniscule market share to superior Corrugated Hoses. In terms of end user industry applications (by volumes) the Piping industry is the single-largest consumer of stainless steel flexible hoses, accounting for a staggering 50.68% of the total consumption, followed by Home Appliances, Chemicals, Air Conditioning & Refrigeration and Automotives.

Global Stainless Steel Flexible Hose Value (USD Bn)



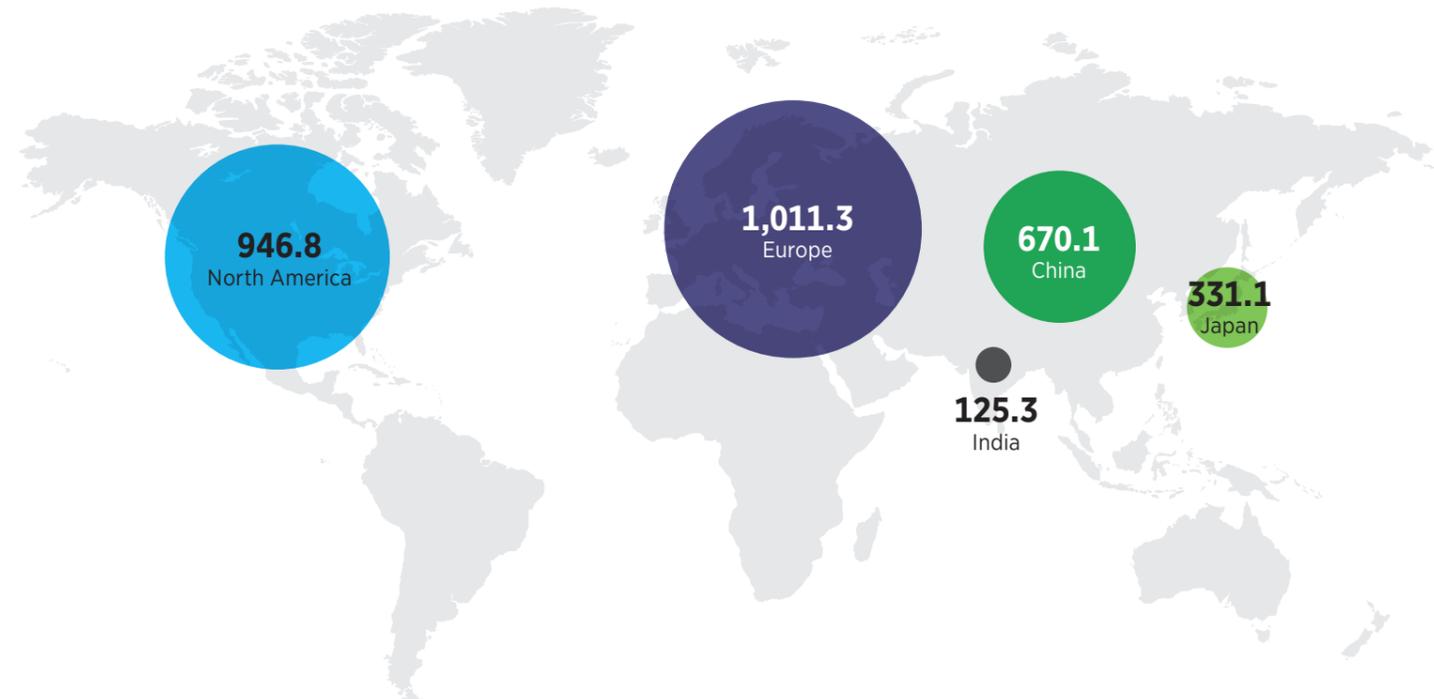
Geographically, Europe accounts for the largest market share with 31.09% at USD 1.01 Billion, closely followed by North America with 29.11% market share at USD 0.94 Billion. Outside the EU & America, in the APAC region China is the largest consumer with a 20.60% market share at USD 0.67 Bn.

Global Stainless Steel Flexible Hose Consumption by Application



Key Stainless Steel Hose Markets Globally (USD Mn)

125.26 1,011.25



Source: Maia Research Analysis

Map not to scale

Management Discussion and Analysis

Indian Stainless Steel Hose Market

The Indian stainless steel hose market accounts for 3.85% of the global share as of 2022. India has been one of the fastest growing stainless steel hose markets over the last 5 years, significantly increasing its share in the global markets from a miniscule 2.47% in 2017. Indian markets are estimated to have almost doubled from USD 68.21 Mn in 2017 to USD 125.26 Mn in 2022, delivering a phenomenal growth of 12.93% over the last 5 years. This growth has been delivered from a mix of volume and value growth. While Indian production volumes have increased from 19.04 Mn metres in 2017 to 26.06 Mn metres in 2022, average realisations per metre have grown from USD 3.58 to USD 4.80.

Indian markets continue to be a net exporter of Stainless Steel Flexible Hoses, with net exports to the tune of 7.85 Mn Metres in 2022. In the coming 5 years, India's production is expected to grow from 26.07 Mn Metres in 2022 to 31.61 Mn Metres in 2027, of which 24.01 Mn Metres will be domestic consumption and the rest will be net exports to the tune of 7.57 Mn Metres.

India Stainless Steel Hoses - 2022 (Mn Metres)



Source: Maia Research Analysis

Growth Drivers

Superior value proposition as compared to traditional rubber and plastic hoses with better product lifecycle

Growing demand for corrosion-resistant flexible hose solution made out of SS

Increasing emphasis on sustainable and environment-friendly products with limited carbon footprint

Indian Packaging Industry

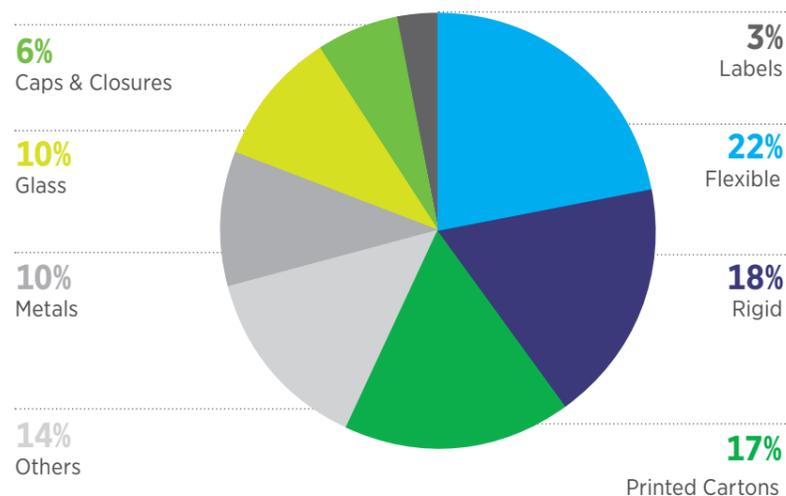
Because of its pervasiveness, the packaging industry flourishes alongside a wide range of industries. According to an ASSOCHAM-EY report, the Indian packaging sector was estimated at USD 72.6 bn in FY2020 and is estimated to have grown at a CAGR of 18% during 2016-21. Not only has India become a preferred global supplier for the packaging industry, it has also emerged as one of the largest sectors in the Indian economy. India has a competitive advantage over many global manufacturers, thanks to the availability of skilled labour and lower manufacturing costs. Along with the export market, India's growing domestic demand, which is being fueled by urbanisation, rising disposable income, and favourable demographics, makes a strong case for increased domestic consumption.

The USD 72.6 Bn market is broadly divided into various materials, which are flexible, rigid, metal, glass and printed cartons, among others.

Flexible packaging holds by far the largest share with ~22% of the market. In recent years, the demand for flexible packaging materials has been increasing faster than the demand for rigid packaging materials. The food and beverage, personal care, and pharmaceutical industries have all contributed a surge in demand for flexible packaging materials.

The dominance of flexible packaging in recent years has been largely owing to its durability, cost-effectiveness, and aesthetic appeal. Monolayer, multilayer films, and multilayered laminate sheets of polymers, including PE, PP, PET, and PVC, are used in flexible packaging. Polyethylene makes up one-third of the plastic products used in India's packaging industry, while polypropylene makes up 29%.

Indian Packaging Industry bifurcation by material (2020)



Flexible Intermediate Bulk Containers (FIBC)

The FIBC (Flexible Intermediate Bulk Container) is a flexible fabric industrial container used to store and transport dry, flowable materials such as grains, horticulture products, sand, fertiliser, and plastic granules.

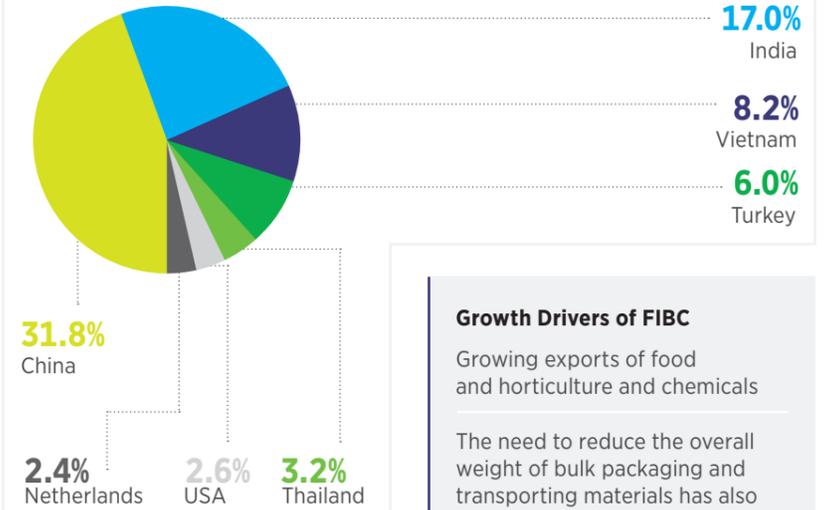
In the last decade India has emerged as the second largest market leader in this segment after China. According to Global Info Research, the global market for FIBC is expected to grow at a CAGR of 5.0 % to 2023, reaching USD 9.2 billion in 2023 from USD 6.8 billion in 2017. With exports to more than 110 countries, India is the second largest exporter in the FIBC segment following China. Between 2015 and 2019, India's exports in FIBC grew at a CAGR of 15.6 %. Due to increased use by the mineral and food industries, FIBC has gained prominence in the Indian packaging industry. Further India and China's competitive production costs have led to production cuts by developed countries, which is further exacerbated by their own increasing cost of production and stringent regulatory norms.

As per the EXIM Bank of India classification, FIBC market consisting of 'Textile Sacks and Bags for Packaging' as per HS 6305 and 'Sacks and Bags of Plastic' as per HS 3923, are majorly dominated by the Asia-Pacific region.

The Textiles Sacks and bags for packaging market is majorly dominated by Asia Pacific countries that account for 57% of the market share for the FIBC segment. China leads the way with an export value of USD 1,668.1 Million, capturing a market share of 31.8% of the total export share for Textile Sacks (as per HSN code for packing). India is ranked second with an export value of USD 890.5 Million and a market share of 17.0%, followed by Vietnam with 8.2% market share. The USA captured a share of 2.3% making it the sixth largest exporter.

Source: Export-Import Bank of India

Share in Global Exports of Textiles Sacks for Packing (%)



Growth Drivers of FIBC

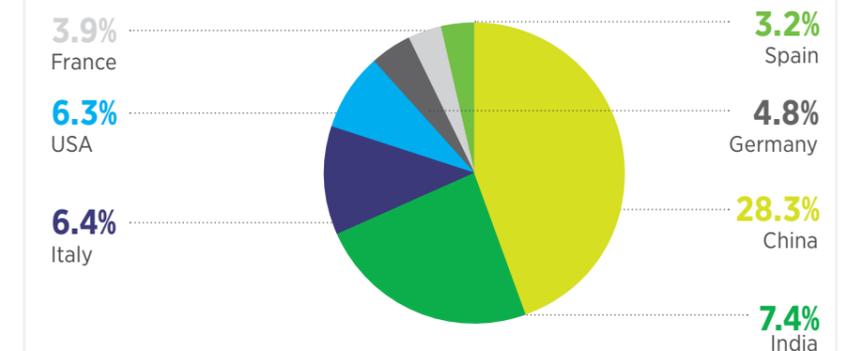
Growing exports of food and horticulture and chemicals

The need to reduce the overall weight of bulk packaging and transporting materials has also been driving the demand for FIBC

Low-cost shale gas, which is utilised as a primary feedstock for chemical manufacture, is driving increased chemical production, which is increasing demand for FIBC bags

Global demand in the chemical, food, and pharmaceutical industries is expected to propel the Indian FIBC business to significant growth

Export Share for Sacks and Bags of Plastic (excluding those of polymer and ethylene) (%)



Management Discussion and Analysis

Indian Technology Startup Ecosystem

The past decade has been immense for Indian Tech startups in terms of growth, as it recorded a whopping 39% CAGR with a total tally of approximately 26,000 startups being founded, creating greater opportunities by providing 6.6 Lakh direct jobs and 34.1 Lakh indirect jobs. The India tech startup ecosystem has quickly become one of the major contributors to India's growth story recording a noteworthy performance in 2021, with 2,250+ new startups established, 42 newly minted unicorns, massive USD 24.1 billion of funding from a pool of 2,400+ investors and 11 IPOs with collective market cap of USD 47.8 Billion and USD 400 Million transferred in wealth across 10,000+ employees. These figures reflect a very positive outlook for the Indian startup ecosystem, and the numbers only seem to grow with each passing year.



INDIA IN LINE TO BECOME THE BIGGEST HUB FOR STARTUP UNICORNS



	USA	China	India	Israel	UK	Germany
Total number of active unicorns	444	301	70	57	40	23
Total number of unicorns added in 2021	260	146	42	35	22	16
Innovation clusters with at least 1 unicorn	38	20	7	3	6	4
Average time to unicorn (years)	6-8	5-7	5-7	6-8	6-8	5-7

Source: NASSCOM

India added the third highest number of Unicorns in 2021 taking the total number of active unicorns to 70 as of January 2022. Retail, Retail Tech, EdTech, Food Tech, SCM and logistics cornered 35% of the investments, with BFSI witnessing a breakout year with 13 Unicorns and 35+ potential unicorns. Additionally, 58% of all tech start-ups raised their first-round in 2021 with a cumulative value of USD 1.1 billion. All of this bodes really well for the Indian startups, as they aspire to add their names to the growing unicorns list of India.

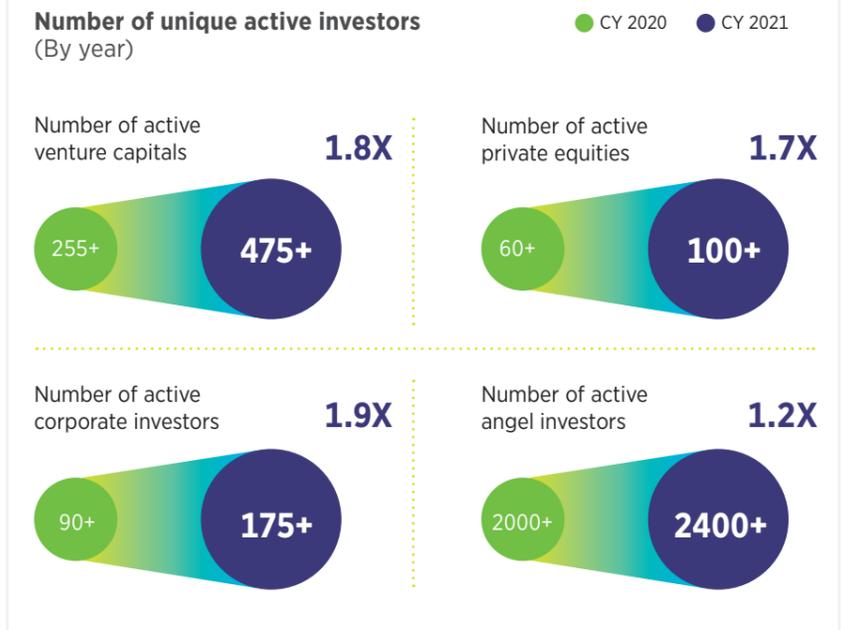
At the back of a strong equity market, companies raised USD 6.2 billion through public market listing with an average oversubscription to the tune of 67x. A total of 29% of the startups were from the emerging hubs of the country such as, Ahmedabad, Surat, Kolkata, Jaipur, Indore, Lucknow etc., while the other 71% was contributed by the established hubs such as, Bangalore, Delhi, Mumbai, Hyderabad, Pune and Chennai. What is interesting is the fact that the emerging hubs have witnessed an increase of 15% in share of all startups in the last 5 years. Moreover, women-led startup stories have become more compelling with 10-15% of all startups having at least one woman co-founder (or founder) and 10 Unicorns with one woman co-founder. These reflect how the country is on a wave of creating thriving businesses that are here to stay and leave a lasting mark.



Source: NASSCOM

On the investment front, Indian startups witnessed active participation from both institutional and angel investors in 2021, with the number of unique investors growing manifold.

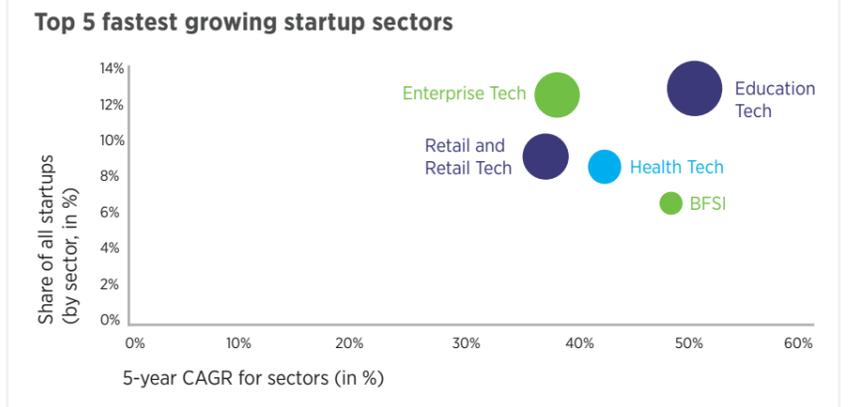
Corporate participation also increased, with a total of 260+ unique corporations active in 2021 which is up from 170 in 2020. 175+ unique corporations invested in startups in 2021 with 52% of them being global MNCs.



EdTech startups

Another booming space in India is the EdTech space, where investment and innovation both seem to flourish.

The top 5 sectors constitute 51% of the Indian tech startups ecosystem, and EdTech accounts for 13% of the share, which is the highest among all. In 2021, 140+ Ed-tech startups received funding in India.



Management Discussion and Analysis

Top 5 Sectors with Highest investments in Seed Stage (in 2021)



BFSI
(\$187 M)



Enterprise Tech
(\$109 M)



EdTech
(\$97 M)



Retail and Retail Tech
(\$89 M)



Health Tech
(\$55 M)

In fact, EdTech was one of the top 5 sectors with the highest investment in seed stage in 2021, raising a high capital of USD 97 million.

Within EdTech, companies are keenly focused on K-12, and on upskilling, reskilling and immersive learning as their key offerings. Some of the other popular and emerging focus areas of EdTech include vernacular education, classroom digitisation, personalised learning, workforce upskilling, education financing, non-academic courses and learning management solutions.

It is important to note that in 2021, two of the top 5 largest investment deals were in the EdTech space, with Byju's raising the largest investment deal to the tune of USD 1,110 million from several investors like Tiger Global, Baron Funds and B Capital Group, and Unacademy raising USD 440 million from several institutional investors like Soft bank, Vision Fund, Temasek, Tiger Global and 6 other investors. Moreover, mergers and acquisitions have become central to EdTech companies as it aids in adding more expertise to its name. For instance, Byjus's has acquired over 17 companies in a span of 7 years to become the largest EdTech startup in the country.



Growth Drivers of the Startup Ecosystem

Ecosystem Support: State government, local incubators and accelerators, and academia have played a crucial role in the growth of startups

Investor led Initiatives: Kalaari Capital - CXXO initiative for helping women founders access capital, coaching and leverage the power of a community

Changing perception towards entrepreneurship and increase in social acceptability of entrepreneurship as a career

Digital revolution aided by internet penetration has enabled small businesses to grow and expand globally

Government Initiatives like Tax Exemption, Patent & Trademark concession and aid in research & development have encouraged people to pursue entrepreneurship

Several state governments have announced policies to encourage entrepreneurship. Some of these states include

Source: NASSCOM

Maharashtra startup policy 2018-23, Tamil Nadu startup & Innovation policy 2018-23, Telangana innovation policy 2017-23 amongst others

The Government of India has approved the Startup India Seed Fund Scheme with a corpus of ₹ 945 crore (USD 131 million), which is aimed at providing financial assistance to startups for proof of concept, prototype, development, product trials, market entry and commercialisation

The liberation in relation to One Person Companies (OPCs) is helping young startups and innovators with limited funds formalise their business at an early stage

In an attempt to lower the compliance burden on startups, the Finance Minister also proposed to revise the definition of small companies under the Companies Act, 2013 by increasing their capitalisation threshold from not exceeding ₹ 50 lakh to not exceeding ₹ 2 crore, and turnover from not exceeding ₹ 2 crore to not exceeding ₹ 20 crore

Company Overview

CONSOLIDATED FINANCIAL RATIOS

Ratios	FY21	FY22	% Change	Remarks
Total Debt to Equity (Times)	0.36	0.43	19%	NA
Current Ratio (Times)	2.27	1.87	-18%	NA
Interest Coverage Ratio (Times)	2.47	7.82	217%	Due to significantly higher EBIT
Debtors Turnover (Times)	3.88	5.16	33%	Due to better trade receivable management
Inventory Turnover (Times)	3.45	4.81	39%	Due to better inventory management
Operating Profit Margin (%)	12.8%	18.1%	42%	Due to better profitability & scale in Sah Polymers and Aeroflex Industries
Net Profit Margin (%)	4.6%	11.2%	142%	Due to better profitability & scale in Sah Polymers and Aeroflex Industries

SAT Industries Limited (SAT), with almost four decades of experience, is an incubator of both conventional cash-flow generating businesses and new-age startups. It is a listed entity that has diverse businesses under its portfolio, which ranges across multiple industries. Some of the key business activities undertaken by its various subsidiaries and associates are manufacturing, education, leasing, domestic trading, import and export, finance and investments.

SAT, listed on the Bombay Stock Exchange since 1985, has created a solid reputation for itself in these years. It is an investor and strategic partner to numerous startups engaged in various industries. In the future, SAT Industries hopes to foray into businesses that add further value to its stakeholders.

FY22 Performance Discussion

The Company recorded its highest ever consolidated topline of ₹ 346.73 crores in FY22 compared to ₹ 204.76 crores in the previous year, a staggering 69% increase. This increase was driven by a significant increase in the scale of operations of both of its flagship businesses, i.e. Aeroflex Industries and Sah Polymers. The Company also

witnessed an overall increase of 530 bps in EBITDA margin from 12.8% in FY21 to 18.1% in FY22, led by a surge in the sale of value added, high margin products & economies of scale due to higher capacity utilisation. As a result, its PAT stood at an all-time high of ₹ 38.71 crores in FY22 compared to ₹ 9.44 crores in the previous year, a massive increase of 310.0% year on year.

Outlook

We'll keep accelerating growth in both cash-generating operations and high-growth startups. Sah Polymers and Aeroflex Industries' operations are witnessing significant growth opportunities.

Aeroflex Industries' focus on aerospace & satellite, renewables, battery management, robotics, drones, and semiconductor industries, which have significant entry barriers due to their specific product requirements and rigorous quality standards, will prove to be a differentiating factor for the company in the long run. Aeroflex Industries is prototyping products for some of these industries and is approaching final product approvals. In the long-term, it wants a significant amount of our business from these sunrise sectors, which will differentiate it from traditional SS flow solution providers.

Sah Polymers has been focusing on FIBC's growing demand. India's growing role in the global FIBC supply chain has boosted its business. Furthermore, Sah Polymers is working on capitalising on market trends, such as a shift to higher capacity (1 to 2.5 tonnes, instead of traditional 100 kg solutions) and tailored bulk packaging solutions. We believe this will help us grow faster and optimise our profit margins, allowing us to move toward more customised and value-added products.

SAT Industries, along with all its Group companies are witnessing a robust demand environment, coupled with growing scale of operations, supported by strategic investments, that lead to a positive outlook for the coming few years.

Internal Control and Adequacy

The Company's proper and adequate system of internal control ensures that all its assets are safeguarded and protected against losses from unauthorised use or disposition, and that all transactions are authorised, recorded and reported appropriately. The Company has deployed an effective mechanism to achieve optimum and effective utilisation of resources, efficiency in operations, monitoring thereof and compliance with applicable laws. Further, the auditors have also expressed that the Company's internal control systems are adequate and satisfactory.

Management Discussion and Analysis

Human Resource Development and Industrial Relations

SAT Industries believes that its human resources are one of the most crucial assets and critical enablers of the Group's growth. To that extent, the Group engages with its employees to hone their skill sets and equip them with knowledge and know-how. It is also deeply invested in establishing its brand name to attract and retain the best talent in the market. During the period under review, employee relations continued to be healthy, cordial and harmonious at all levels, and the Group aims to maintain such relations with the employees going forward as well. As of March 31, 2022 the Group has 890 people across all its group companies.

Risks & Risk Mitigation

The Company mitigates its key risks across all levels of business operations by identifying and assessing risks while keeping business objectives in mind. It also helps to monitor the efficiency and effectiveness of risk responses against strategic, operational, financial and compliance risks. However, there remains a significant threat of uncertainties due to Covid-19 along with geopolitical distress, global trade war, fluctuations in commodities prices and volatile forex movement.

Further, the management keeps an eagle's eye view on domestic and foreign markets related to the products the Company manufactures and the raw materials required. The management also monitors the worldwide socio-economic changes

and currency fluctuation changes to minimise the risks.

There are no risks which, in the opinion of the Board, are of the nature that can threaten the existence of the Company.

However, the risks that are generally dealt with in the regular course of business and must be taken care of are - economic risk, technology risk, fluctuations in foreign exchange rates and raw material prices which the Company regularly monitors with a proactive approach adopted by the management to evaluate and mitigate these potential risks. In addition, an additional risk arising out of the Covid-19 pandemic cannot be ruled out, which may lead to a possible future lockdown or a temporary closure.

SOME OF THE KEY, IDENTIFIED RISKS AND THEIR MITIGATION STRATEGY IS AS FOLLOWS:

 <p>Safety Risk</p>	<p>Our manufacturing facility is subject to various stringent safety laws and regulations. Non-adherence to process and workforce safety requirements, safety laws and regulations may impact business continuity and reputation. COVID-19 contagion poses risk to workforce health and safety, and may lead to business disruptions.</p>	<p>SAT Industries has a robust governance mechanism for safety, health, environment and sustainability where reviews are undertaken at multiple levels. To help inculcate a best-in-class safety culture amongst our workers, we have taken up several initiatives to mitigate hazards and reduce risks. The Company has implemented various safety procedures related to handling machines, installing and using suitable tools and equipment through regular inspection at plant locations, and providing training and awareness across the workplace.</p> <p>The Company, through its subsidiaries, has conducted a COVID Vaccination drive to ensure that all the employees are fully vaccinated, and regular medical check-up is duly undertaken to ensure the safety of all employees.</p>
 <p>Regulatory Risk</p>	<p>Our operations are governed by various statutes encompassing law and regulations for environment and climate change, trade measures, competition, taxes, mining and others. Any deviation in compliance and adherence has the potential to not only impact our operating performance but also dent our reputation. The continuously evolving regulatory scenario, resulting in changes of the statutory provisions and introduction of newer ones, make compliance more complex.</p>	<p>At SAT, we make sure that the law of the land is fully complied with. In addition, we update our teams internally on all the regulatory amendments and ensure that there is no non-compliance.</p>

 <p>Commodity Fluctuation Risk</p>	<p>The Company's performance is closely linked with that of the steel industry. Any material changes in demand-supply scenarios within the steel sector, in India or abroad, may impact its performance.</p>	<p>We have been running a structured cost reduction journey for the past few years to improve profitability and mitigate the risk of commodity price inflation. However, we do not put our production cycle at risk for the sake of buying inputs at lower prices.</p>
 <p>Supply Chain Risk</p>	<p>The supply chain network is subjected to physical and environmental destruction, trade restrictions due to geopolitical tensions and disruptions of supplies. The developing rail, road, port infrastructure, handling facilities and dependence on outsourced partners may lead to disruption of operations.</p>	<p>The Company focuses specifically on the resilience of its supply chain and the efficiency of launching its models to market. We work closely with our suppliers to define inventory maintenance norms, build safety stocks, and explore localisation and alternative sources, among others.</p> <p>We continue to maintain and develop strong partnerships with key strategic suppliers to ensure a stable future supply of components. We have been taking steps to find substitutes, protect volatility by way of hedging and take price increases in a calibrated manner to mitigate the impact of price rises.</p>
 <p>Credit Risk</p>	<p>The Company's debt servicing capabilities could get affected due to major volatility in financial markets and in a changing interest rate scenario. Further, the Company is also exposed to currency risks arising due to a considerable amount of import and export of goods it undertakes.</p>	<p>The Company has kept a broader outlook on the markets, covering not only the foreign exchange risks but also other risks associated with the financial assets and liabilities, such as interest rate and credit risks. The management aims to:</p> <ul style="list-style-type: none"> ■ Create a sustainable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan. ■ Achieve greater predictability of earnings by determining the financial value of the expected earnings in advance ■ The risk of fluctuation in foreign currency exchange rates is mitigated through a natural hedge as the group imports and exports in foreign exchange for its export business.
 <p>Investment Risk</p>	<p>The company invests in various startups in disruptive sectors, which result in capital loss in some cases and would have a severe impact on its profitability.</p>	<p>The Company has established clear goals, making it easier to decide which assets to invest in. The Company has a diversified portfolio of investments in startups in various sectors, which will help in mitigating the risk. In addition, the Company has a robust internal team of professionals with relevant expertise to understand the market situations and take decisions for investing the funds.</p>

Directors' Report

REPORT OF THE BOARD OF DIRECTORS OF SAT INDUSTRIES LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

To,
The Members,
Sat Industries Limited

Your Directors have pleasure in presenting their Thirty-Seventh (37th) Annual Report on the business and operations of Sat Industries Limited (the Company) together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The financial highlights for the financial year under review compared to the previous financial year are given herein below:

Standalone

(₹ in lakhs)

Particulars	For FY 2021-2022	For FY 2020-2021
Total Revenue	2,110.78	575.83
Profit before Tax, Interest, Depreciation and Exceptional Items	571.93	174.86
Less: Interest	2.95	5.47
Less: Depreciation	36.12	35.67
Profit before Tax and exceptional Items	532.86	133.72
Less: Tax Expense	88.55	46.04
Profit after Tax	444.31	87.68
Net Profit/(Loss) for the year	444.31	87.68

Consolidated

(₹ in lakhs)

Particulars	For FY 2021-2022	For FY 2020-2021
Total Revenue	35,148.22	20,509.66
Profit before Tax and after exceptional items	5,026.72	1,243.13
Less: Tax Expense	1,156.07	299.47
Profit after Tax	3,870.65	943.66
Net Profit for the year after Shares of Profit/(Loss) of Associates and Minority Interest	3554.38	877.13

2. STATE OF COMPANY'S AFFAIRS:

The Company is engaged in the business of general trading of merchandise, leasing of assets and financing. The total standalone revenue of your Company for the year under review amounted to ₹ 2,110.78 lakhs against ₹ 575.83 lakhs in corresponding previous year and earned a net profit of ₹ 444.31 Lakhs (previous year ₹ 87.68 Lakhs) after providing for depreciation and tax.

On a consolidated basis, the total revenues stood at ₹ 35,148.22 Lakhs with net profit of ₹ 3,870.65 Lakhs.

3. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and upto the date of this report

4. TRANSFER TO RESERVES:

There is no amount proposed to be transferred to General Reserves during the year under review.

5. DIVIDEND:

Your Directors have pleasure in recommending payment of dividend of ₹ 0.15 (7.50%) per equity share of ₹ 2/- each for the Financial Year 2021-22 subject to approval of the same by the members at the ensuing Annual General Meeting.

6. CHANGE IN NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business of the Company.

7. LISTING OF SHARES:

The Equity Shares of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 and the listing fees for the Financial Year 2021-22, has been paid.

8. SHARE CAPITAL:

During the year under report, there was no change in the issued, subscribed and paid-up capital of the Company.

Issued, subscribed and paid-up capital of the Company is ₹ 22,61,70,000/- divided into 11,30,85,000 equity shares of ₹ 2/- each

The above shares are listed on Bombay Stock Exchange ("BSE") Limited.

9. SUBSIDIARIES AND ASSOCIATES:

The Company has Six subsidiaries (five Indian and one foreign subsidiary) as on March 31, 2022 namely:

Sr. No.	Name of Company	Subsidiary
1	Sah Polymers Limited	Subsidiary
2	Aeroflex Industries Limited	Subsidiary
3	Aeroflex Finance Private Limited	Subsidiary
4	Aeroflex International Limited	Subsidiary
5	Italica Furniture Private Limited	Subsidiary
6	Italica Global FZC, UAE	Subsidiary

A Statement containing the salient features of the financial statement of the subsidiaries companies pursuant to Section 129 of the Companies Act, 2013 read with the Rule 5 of the Companies (Accounts) Rules, 2014, are given in **Annexure - "A"** in Form No. AOC-1 and the same forms part of this report.

Further, the Company have filed the Scheme of Amalgamation of Aeroflex International Limited ('Transferor Company No. 1') and Italica Furniture Private Limited ('Transferor Company No. 2') with Sat Industries Limited ('Transferee Company') Under Sections 230 to 232 of the Companies Act, 2013.

The application for scheme of amalgamation is pending for adjudication before Honorable NCLT, Mumbai Bench.

10. PARTICULARS OF PERSONNEL AND RELATED DISCLOSURES:

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this report vide **Annexure - "B"**

11. PUBLIC DEPOSITS:

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under as such, no amount of principal or interest was outstanding as of the Balance Sheet date, nor is there any deposit in non-compliance of Chapter V of the Companies Act, 2013.

12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(a) DIRECTORS:

Section 152 of the Act provides that unless the Articles of Association provide for the retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the independent directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation. Accordingly, Mr. Harikant Turgalia, Director (DIN: 00049544), retires by rotation at the 37th Annual General Meeting, and being eligible, offers himself for re-appointment.

During the year, no changes took place in the Board of Directors of the Company.

Further, in the opinion of the Board of Directors, all Independent Directors of the Company hold highest standards of integrity and possess requisite expertise & experience enabling them to fulfil their duties as Independent Directors.

Further Mr. Partha Sarathi Sarkar (DIN: 00047272) and Mr. Arpit Khandelwal (DIN: 09684341) has been appointed as an Additional Director of the Company w.e.f. July 26, 2022 to be designated as Non-executive Independent director and Mr. Goree Shankar Shrimali has resigned from the post of Independent Director w.e.f. July 26, 2022

(b) KEY MANAGERIAL PERSONNEL:

During the year, no changes took place in the Key Managerial Personnel ("KMP") of the Company.

None of the Directors and Key Managerial Personnel is in any way related to each other, except Mrs. Shehnaz D. Ali and Mr. Asad Daud who are related to each other by way of mother-son relationship.

13. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTOR U/S 149(6) OF THE COMPANIES ACT, 2013:

The Company has received declaration from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

- The Company continues to adopt and use the latest technologies to improve the quality of its Services.
- Earning and outgo in foreign exchange:

Particulars	₹ in lakhs)	
	2021-22	2020-21
Foreign Earnings	-	-
Foreign Outgo	71.27	116.89

15. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 It is stated that:

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

16. AUDITORS:

The appointment of M/s. Ajay Paliwal & Co., Chartered Accountants, (ICAI FRN: 012345C) as the Statutory Auditors of the Company for the period of five consecutive years is proposed in the ensuing annual general meeting of the company.

The Company has received a letter from the auditors confirming that they are eligible for appointment as auditors of the Company under section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in section 141 of the Companies Act, 2013.

M/s. Ajay Paliwal & Co., Chartered Accountants have furnished written confirmation to the effect that they are not disqualified from acting as the Statutory Auditors of the Company in terms of the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014.

17. FRAUDS AGAINST THE COMPANY:

The Auditors have not reported frauds under sub-section (12) of section 143 of the Companies Act, 2013.

18. QUALIFICATION IN THE AUDITORS' REPORT - BOARD'S COMMENTS OR EXPLANATION:

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

19. CORPORATE GOVERNANCE:

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is presented in separate section forming part of this Report as Corporate Governance Report.

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is presented in a separate section forming part of this Report as **Annexure- "C"**

21. CEO/CFO CERTIFICATE:

Chief executive officer and Chief financial officer compliance certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is presented in a separate section forming part of this Report as **Annexure- "D"**

22. WEB-LINK OF ANNUAL RETURN:

Annual Return of the Company can be viewed at: <https://satgroup.in/investor-relations/>

23. NUMBER OF MEETINGS OF THE BOARD:

During the year, Seven (7) Board Meetings were held, details of which are given in the Corporate Governance Report.

24. PARTICULARS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has entered the transactions with related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure "E"**

in Form No. AOC-2 and the same forms part of this report. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website: www.satgroup.in.

26. POLICY ON APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES:

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their Remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director, which has been placed on the Company's website, www.satgroup.in. The policy on the above is attached as **Annexure –“F”** & **Annexure –“G”**.

27. INDEPENDENT DIRECTORS TRAINING/ MEETING:

During the year under review a separate meeting of the Independent Directors of the Company was held on February 19, 2022, without the presence of other Directors and members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board.

28. EVALUATION OF THE PERFORMANCE OF THE BOARD MEMBERS:

The Company has devised a policy for performance evaluation of the individual directors, Board and its Committees, which includes criteria for performance evaluation. Pursuant to the provisions of the Act and Regulation 17(10) of Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the individual directors as well as the evaluation of working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of processes and information provided to the Board etc. A separate meeting of the Independent Directors was also held during the year for evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman. The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in Meetings, understanding of their roles as directors etc.

29. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Dr. S. K. Jain, Proprietor of M/s. S. K. Jain & Co., Company Secretaries (FCS: 1473 & COP: 3076), to undertake the Secretarial Audit of the Company. There is no qualification,

reservation or adverse remark made in their Secretarial Audit Report submitted to the Company. The Secretarial Audit Report is attached herewith as **Annexure “H”**.

30. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year under review M/s. Genext Students Private Limited has ceased to be an associate company with effect from September 03, 2021.

The Company had no Joint Venture Company during the financial year under review.

Further there were no other changes in respect of the same.

31. CONSOLIDATED AUDITED FINANCIAL STATEMENTS:

Your Directors have pleasure in presenting the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and prepared in accordance with the applicable Accounting Standards in this regard.

The Consolidated Financial Statements along with the Independent Auditors' Report thereon is annexed and form part of this Report.

The Auditors' Report does not contain any qualification, observation or adverse comment.

32. COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, appointment of cost auditor is not applicable to the company.

33. RISK MANAGEMENT:

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risks trend, exposure and potential impact analysis on a Company's business.

34. INTERNAL FINANCIAL CONTROLS:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

35. CORPORATE SOCIAL RESPONSIBILITY:

During the Financial Year under review the said clause is not applicable to the Company.

36. VIGIL MECHANISM/WHISTLEBLOWER:

Your Company has established a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of the Company, which is in compliance of the provisions of Section 177 of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and SEBI (LODR) Regulations 2015. The Policy provides for framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimisation or any other unfair practice being adopted against them. Adequate safeguards are provided against victimisation to those who avail of the mechanism, and access to the Chairman of the Audit Committee in exceptional cases is provided to them. The details of the Whistle Blower Policy have been uploaded on the website of the Company, www.satgroup.in

37. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual harassment Policy in line with the requirements of the Sexual harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. An Internal Complaints Committee (ICC) is in place as per the requirements of the said Act to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy. No case has been reported during the year under review.

38. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

39. ANNUAL PERFORMANCE EVALUATION:

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its

own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate meeting was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Directors.

40. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) None of the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

No application has been made by the Company nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016 during the year alongwith their status as at the end of the Financial Year.

The details of difference between amount of valuation done at the time of one time settlement and the valuation done while taking loan from the bank or financial institution alongwith the reasons thereof is not applicable to the Company.

41. ACKNOWLEDGEMENT:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the shareholders, banks, Central and State Government Authorities etc. during the year under review.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, Staff and Workers of the Company for its success.

For and on behalf of Board of Directors of
SAT INDUSTRIES LIMITED

Date: July 26, 2022
Place: Mumbai

Harikant Turgalia
Whole-time Director
DIN: 00049544

Shehnaz D. Ali
Whole-time Director
DIN: 00185452

Annexure - “A”

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART “A”: SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in lakhs)

Sr. No.	Particulars	Details					
1.	Name of the subsidiary	Sah Polymers Limited	Aeroflex Industries Limited	Aeroflex Finance Private Limited	Aeroflex International Limited	Italica Global FZC, UAE	Italica Furniture Private Limited
2.	Date of becoming subsidiary of the Company or the date of its acquisition	July 1, 2015	April 02, 2018	June 24, 2016	November 30, 2015	June 01, 2017	July 01, 2015
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	AED Exch Rate 1 AED = ₹ 20.70	N.A.
5.	Share capital (₹ in lakhs)	1,559.60	2,286.41	210.00	100.00	AED 1,85,000 Equivalent to ₹ 34.04	208.21
6.	Reserves & surplus (₹ in lakhs)	827.14	6,345.37	60.94	(23.19)	AED 67,50,134 Equivalent to ₹ 1,602.86	1,026.94
7.	Total assets (₹ in lakhs)	6,199.20	18,351.47	273.41	76.96	AED 1,37,35,134 Equivalent to ₹ 2,843.60	4,657.51
8.	Total Liabilities (₹ in lakhs)	6,199.20	18,351.47	273.41	76.96	AED 1,37,35,134 Equivalent to ₹ 2,843.60	4,657.51
9.	Investments (in ₹)	0	9.55	0	0	AED 1,37,328 Equivalent to ₹ 28.28	494.62
10.	Turnover (₹ in lakhs)	7,572.75	24,079.55	31.16	0	AED 22,54,733 Equivalent to ₹ 652.64	64.91
11.	Profit before taxation (₹ in lakhs)	514.13	3,692.16	25.05	(0.44)	AED 794381 Equivalent to ₹ 160.83	72.66
12.	Provision for taxation (₹ in lakhs)	(111.71)	(935.13)	(6.47)	0.11	0	(13.53)
13.	Profit after taxation (₹ in lakhs)	402.42	2,757.03	18.59	(0.33)	AED 794381 Equivalent to ₹ 160.83	59.13
14.	Proposed Dividend	-	-	-	-	-	-
15.	% of shareholding	91.79%	92.18%	100%	100%	100%	100%

Annexure - “B”

DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22	Sr. No.	Name of Directors	Ratio of the remuneration of each director to the median remuneration of the employees	
		1	Mrs. Shehnaz D Ali	3.65:1	
		2	Mr. Harikant Turgalia	3.14:1	
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year 2021-22: -	Sr. No.	Name	Designation	Increase in remuneration in the financial year 2021-22 (in %)
		1	Mrs. Shehnaz D Ali	Whole-Time Director	7 %
		2	Mr. Harikant Turgalia	Whole-Time Director & CFO	8.3 %
		3	Ms. Alka Premkumar Gupta	Company Secretary & Compliance Officer	19.4 %
3	The percentage (%) increase in the median remuneration of employees in the financial year 2021-22	47 %			
4	The number of permanent employees on the rolls of Company	13			
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	<p>The average percentile increase in salaries of the employees other than the managerial personnel is 23.26 % whereas there was a decrease in the remuneration of the key managerial personnel by 9.38 %</p> <p>Justification: The average percentile increase in the employees other than the managerial personnel in the financial year 2021-22 is higher as compared with the average percentile increase of managerial personnel. The increase in the employees other than KMP is decided on the individual performance, inflation prevailing industry trends and benchmarks and therefore comparison of one against the other is not feasible.</p>			
6	Affirmation that the remuneration is as per the remuneration policy of the Company	The company affirms remuneration is as per the remuneration policy of the Company to all the directors, Key Managerial Personnel and other employees.			

Annexure - “C”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

DISCLAIMER:

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, utmost care has been taken to ensure that the opinion expressed therein contain its perceptions on most of the important trends having a material impact on the Company's operations.

The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various economic conditions, Government policies and other related factors.

The following discussion and analysis should be read in conjunction with Sat Industries Limited audited standalone / consolidated financial statements and related notes for the year ended March 31, 2022, included in this Annual Report.

1. Industrial Structure and Development

The Company is engaged in the business of import, export, and domestic trading of a wide variety of goods which includes Machine & Moulds, plastic in primary form and articles thereof. Company is also involved in leasing of Machine & Moulds and other financial activities.

At present company embraces varied business groups which includes- trading, manufacturing, education technology, leasing and startup investments, global business and financial services through its various subsidiaries and associates. It has presence in various international markets in Middle East, Europe, Asia, Africa, America and Switzerland.

• Manufacturing of PP/HDPE Woven Bags and Fabric

Sah Polymers Limited (a subsidiary of Sat Industries Limited) has diversified into the manufacturing of FIBCs (Jumbo Bags). During the financial year Company's manufacturing division witnessed a growth of 10% in volume terms while 11% in value terms as compared to financial year 2020-21.

Sah Polymers Limited (IOCL Trading Division) has also achieved 3% growth in volume terms in the F.Y 2021-22 as compared to F.Y. 2020-21

• Manufacturing of Stainless-Steel Flexible Hoses and Assemblies

Aeroflex Industries Limited (a subsidiary of Sat Industries Limited) is one of the world's leading manufacturer of

Stainless-Steel Flexible Hoses and Assemblies having one of the largest integrated plant situated at Taloja (Mumbai, India). Aeroflex witnessed a growth of 1% in Sales in value terms in F.Y 2021-22 as compared to F.Y 2020-21.

Further, during this financial year Aeroflex has developed the new products known as 'EPDM Hose Assemblies'.

• Ed-Tech (Education Technology)

Genext Students Private Limited (an Associate Company of Sat Industries Limited) is India's first hybrid tutoring platform that enables effective after school learning to school students with the use of advanced technology along with personalized tutoring. During the year Company has added 99,346 new FREE users and increased overall user base to 21,17,755 users (website and apps) spanning across 4,942 cities.

• Leasing & Startup Investments

Sat is engaged in the business of leasing of machines and moulds which are used in the plastic processing units and investments in startups which have disruptive and innovative business models. The company carries out the leasing business on its own and through its wholly owned subsidiary, Italica Furniture Private Limited. Sat actively invests on its own and through Italica Furniture Private Limited, foster the spirit of entrepreneurship and provides fuel for the growth of young innovative Companies through the investments. As on March 31, 2022 the Company has invested in 108 start-ups.

• Global Business

Sat is engaged in the global business of import, export and services of metal, plastics and textile products through its subsidiary Italica Global FZC, UAE.

• Financial Services

Sat is also engaged in the business of financing activities through its subsidiary Aeroflex Finance Private Limited. The financing activities include providing loans and advances to individuals, firms, companies, co-operative societies, educational institutions etc., acquiring shares / stocks / bonds / debentures / securities issued by Government or local authorities or other marketable securities.

2. Opportunities, Threats, Risks and concerns

Your company is now more focused on value added business activity through subsidiaries and associates rather than low margin trading activity on standalone basis. Your Company has strong opportunities in the international and Domestic market.

Following are the two significant threats to your Company's business:

- i. Competitive Business: Since your company operates in world markets, competitive business can develop from any corner of the globe. Your Company must be on the lookout for tracking the competition and maintaining its competitive edge in terms of quality and value proportion.

- ii. Talent retention:
Your Company must ensure that the people working for it who constitute its major competitive advantage continue to contribute productively to its business.

3. Segment-wise or product-wise performance

(₹ in lakhs)

Particulars	2021-22	2020-21
Manufacturing Segment	1,026.71	-
Trading Segment	1,394.38	154.46
Finance and Investment Segment	454.59	420.99

4. Outlook

The outlook of your Company like that of all other in international marketing is dependent on Government policy. Government policy needs to be clearly spelt out more particularly in respect of importing and exporting products about benefits at par with other countries and bilateral trade agreements with the countries in the world. It may lead to opening of new export markets. Barring unforeseen circumstances, the prospects are more than satisfactory.

5. Risk and Concerns

The growth of your Company's portfolio is linked to the overall economic growth. Primary risk to the business will be on account of adverse changes to the economy. Further, the changes in consumer behavior, buying patterns and working environment arising due to COVID-19 pandemic may pose some challenges for the businesses.

6. Financial and Operational Performance

(₹ in lakhs)

Particulars	2021-22	2020-21
Revenue from Operation	2,110.78	575.83
Profit before tax	532.86	133.72
Net profit	444.31	87.68

7. Material developments in Human Resources / Industrial Relations front, including number of people employed

Management relation with the employees remains cordial. The Company's Human Resources philosophy is to establish and build a strong performance and competency drive culture with greater senses of accountability and responsibility. The industrial relations scenario remained peaceful and harmonious. Number of employees during the financial year were 13.

8. Significant Financial Ratios

As per provisions of SEBI Listing Regulations, 2015, the significant financial ratios are given below

(₹ in lakhs)

Particulars	% / times	2021-22	2020-21
Net Profit margin	%	15.23	15.23
Operating Profit margin	%	24.19	24.19
Debtors turnover	times	6.07	6.07
Debt equity ratio	%	0.06	0.04
Current ratio	times	8.63	13.75
Interest service coverage ratio	times	25.45	25.45
Return on Net worth	%	0.01	0.58

9. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

There is decrease in Company's return on net worth from 0.58% (previous year) to 0.01% (current year).

Annexure - “D”

CFO CERTIFICATION

To
The Board of Directors
SAT INDUSTRIES LIMITED
121, B - Wing, Mittal Tower,
Nariman Point, Mumbai-400021

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby certify that:

- A. I, Harikant Turgalia, Whole-time Director & CFO of Sat Industries Limited have reviewed financial statements and the cash flow statements for the financial year 2021-22 and that to the best of my knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls.
- D. I have indicated to the auditors and the Audit committee
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) no such instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **SAT INDUSTRIES LIMITED**

Date: July 26, 2022
Place: Mumbai

Harikant Turgalia
Whole-time Director And CFO
DIN: 00049544

Annexure - “E”

FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at arm’s length basis: NIL

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

Sr. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	A Flex Invest Private Limited, Promoter Group
2.	Nature of contracts/arrangements/transactions	Rent
3.	Duration of the contracts/arrangements/transactions	36 Months
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	In the normal course of business
5.	Date(s) of approval by the Board, if any	May 30, 2022
6.	Amount paid as advances, if any	Nil

For and on behalf of Board of Directors of
SAT INDUSTRIES LIMITED

Date: July 26, 2022
Place: Mumbai

Shehnaz D. Ali
Whole-time Director
DIN: 00185452

Harikant Turgalia
Whole-time Director
DIN: 00049544

Annexure - “F”

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTOR’S INDEPENDENCE

1. INTRODUCTION:

1.1 SAT INDUSTRIES LIMITED (SIL) believes that an appropriate composition of Board with persons having diversified expertise and experience helps in providing long term vision and ensuring good corporate governance. It also helps the Board in discharging its responsibilities and duties effectively.

1.2 SIL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. SIL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. SCOPE AND EXCLUSION:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

- 3.1 “Director” means a director appointed to the Board of a company.
- 3.2 “Nomination and Remuneration Committee” means the committee constituted by SIL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. POLICY:

4.1 Qualifications and criteria

- The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s global operations.
- In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:
 - General understanding of the Company’s business dynamics, global business and social perspective;
 - Educational and professional background standing in the profession; Personal and professional ethics, integrity and values;

- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

- The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavor to attend all Board meetings and wherever he is appointed as a committee member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

- The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company’s business.

4.2 Criteria of Independence

- The NR Committee shall assess the independence of Directors at the time of appointment/re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- The criteria of independence as per Clause (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as below:

“Independent director” means a non-executive director, other than a nominee director of the listed entity:

- i. who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- ii. who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;

- iii. who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
 - iv. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - v. none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - vi. who, neither himself, nor whose relative(s) —
 - A. holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - B. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - 1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
 - 2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - C. holds together with his relatives two per cent or more of the total voting power of the listed entity; or
 - D. is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
 - E. is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
 - vii. who is not less than 21 years of age.
- The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

- The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

Annexure - “G”

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. INTRODUCTION:

1.1 SAT INDUSTRIES LIMITED (SIL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. SCOPE AND EXCLUSION:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

- 3.1 “Director” means a director appointed to the Board of the company.
- 3.2 “Key Managerial Personnel” means
- i) the Chief Executive Officer or the managing director or the manager;
 - ii) the company secretary;
 - iii) the whole-time director;
 - iv) the Chief Financial Officer; and
 - v) such other officer as may be prescribed under the Companies Act, 2013.
- 3.3 “Nomination and Remuneration Committee” means the committee constituted by SIL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

4. POLICY:

4.1 Remuneration to Executive Directors and Key Managerial Personnel.

- The Board, on the recommendation of the Nomination and Remuneration (HRNR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:
 - (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retiral benefits
 - (vi) Annual Performance Bonus
- The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors

- The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.
- Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to other employees

- Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Annexure - “H”

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SAT INDUSTRIES LIMITED
121, B-Wing, Mittal Tower,
Nariman Point Mumbai
Mumbai - 400021

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAT INDUSTRIES LIMITED** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed by the Company and other records maintained by the Company the information provided electronically by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **March 31, 2022** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the **SAT INDUSTRIES LIMITED** as given in ‘**Annexure-I**’ for the period **April 01, 2021, to March 31, 2022** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; The Company has complied with Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(The Company has not issued any Securities during the financial year under review)**
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(The Company has not introduced any Employees Stock Option Scheme during the financial year under review)**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The Company has not issued any Debt Securities during the financial year under review)**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the financial year under review)**
 - i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back / propose to buy-back any of its securities during the financial year under review)** and

- vi. The Management has identified and confirmed the following laws as the specifically applicable to the Company:

I have also examined Compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is as per **Annexure II**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to our knowledge.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

In the Secretarial Audit report for the financial year 2021-22 of Aeroflex Industries Limited, material subsidiary of the company which has been issued by me, there is a following observation: There is no adverse observation in the said report.

The Company has another material unlisted subsidiary i.e Sah Polymers Limited. The Secretarial Audit report of this subsidiary for the financial year 2021-22 has been issued by K.K. Sahlot & Co with Membership No FCS 5198 & COP No 4161. There is no adverse observation in the said report.

I further report that during the Audit period there were specific events to be reported by me as follow:

1. The adjudicating officer Securities Exchange Board of India had issued Show Cause Notice bearing reference No. EAD5/MC/RM/29509/2021 dated October 22, 2021 under Section 15-I of Securities Exchange Board of India Act,1992 therewith Rule 5 of the of SEBI (Procedure for Holding Inquiry And Imposing Penalties) Rule,1995. The adjudicating proceeding against the Company and other Notices were disposed off by adjudicating Officer vide Order Dated January 28, 2022.

For S. K. Jain & Co

Date: July 18, 2022

Place: Mumbai

Dr. S. K. Jain
Practicing Company Secretary
FCS No.: 1473
UDIN:F001473D000639431
C P No.: 3076

Annexure - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Body Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under Report;
7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and Directorships in other Companies and interest in other entities by Directors;
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
9. Appointment and remuneration of Internal and Statutory Auditor;
10. Closure of Register of Members/record date for dividends;
11. Declaration and payment of dividend;

For S. K. Jain & Co

Date: July 18, 2022
Place: Mumbai

Dr. S. K. Jain
Practicing Company Secretary
FCS No.: 1473
UDIN:F001473D000639431
C P No.: 3076

To,
The Members
SAT INDUSTRIES LIMITED

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. K. Jain & Co

Date: July 18, 2022
Place: Mumbai

Dr. S. K. Jain
Practicing Company Secretary
FCS No.: 1473
UDIN:F001473D000639431
C P No.: 3076

Annexure – II

LIST OF APPLICABLE LAWS TO THE COMPANY

1. The payment of Bonus Act, 1965
2. The payment of Gratuity Act, 1972
3. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
4. The Maternity Benefits Act, 1961
5. The Employees Provident Fund and Miscellaneous Provision Act, 1952
6. The Professional tax Act, 1975

Report on Corporate Governance

INTRODUCTION

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2022 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its Members and other stakeholders. The Board supports the principles of Corporate Governance. In order to attain the highest level of good Corporate Governance practice, the Board lays strong emphasis on transparency, accountability and integrity.

2. BOARD OF DIRECTORS

a. Composition and category of directors (e.g. promoter, executive, non-executive, independent non-executive, nominee director - Institution represented and whether as lender or as equity investor);

The Board of Directors of the Company consists of Directors having varied experience in different areas. The composition of the Board is in conformity with the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company does not have any executive or non-executive Chairman.

As of March 31, 2022, the composition of the Board of Directors of the Company is as follows:

Sr. No.	Name of the Director	Promoter/ Non-Promoter	Category
1.	Mrs. Shehnaz D Ali	Promoter	Executive Director
2.	Mr. Asad Daud	Promoter	Non-Executive Director
3.	Mr. Harikant Turgalia	Non-Promoter	Executive Director
4.	Mr. Ramesh Chandra Soni	Non-Promoter	Non-Executive Independent Director
5.	Mr. Goree Shankar Shrimali	Non-Promoter	Non-Executive Independent Director
6.	Mr. Nikhil Raut	Non-Promoter	Non-Executive Independent Director

b. Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting:

Sr. No.	Name of the Director	No. of meetings held	No. of meetings attended	Whether attended last AGM
1.	Mrs. Shehnaz D Ali	7	7	Yes
2.	Mr. Asad Daud	7	7	Yes
3.	Mr. Harikant Turgalia	7	7	Yes
4.	Mr. Ramesh Chandra Soni	7	7	Yes
5.	Mr. Goree Shankar Shrimali	7	7	Yes
6.	Mr. Nikhil Raut	7	7	Yes

c. Number of Committees in which a Director is a Member or Chairperson:

Sr. No.	Name of the Director	Directorships in Other Board of Directors	Memberships of Committees of Other Boards	Chairmanships of Committees of Other Boards	Names of the other listed entities where the person is a director and the category of directorship
1.	Mrs. Shehnaz D Ali	4	-	-	-
2.	Mr. Asad Daud	3	1	1	-
3.	Mr. Harikant Turgalia	8	1	1	-
4.	Mr. Ramesh Chandra Soni	4	2	2	-
5.	Mr. Goree Shankar Shrimali	-	-	-	-
6.	Mr. Nikhil Raut	1	2	-	-

d. Number of Meetings of the Board of Directors held and dates on which held:

The Board of Directors met Seven times during the Financial Year 2021-22, i.e. on June 02, 2021, June 25, 2021, July 23, 2021, November 02, 2021, December 16, 2021, February 09, 2022 and March 09, 2022. The maximum time gap between any two meetings was less than 120 days. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

e. Disclosure of relationships between Directors inter-se:

None of the Directors are related to each other except Mrs. Shehnaz D. Ali and Mr. Asad Daud, who are related to each other as a Mother and Son.

f. Number of shares and convertible instruments held by Non-Executive Directors:

None of the Non-Executive Directors holds any share in the Company.

g. Web link where details of familiarization programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time.

The details regarding Independent Directors' Familiarization Programmes are given under the Tab 'Investor Relation' on the website of the Company and can be accessed at <https://satgroup.in/investor-relations/>

h. Directors Appointment/Re-Appointment:

Mr. Harikant Turgalia is liable to retire by rotation at the Thirty-Seventh AGM and being eligible, offers himself for re-appointment. Details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India (ICSI), are attached with notice of AGM.

i. Chart setting out the skills/expertise/competence of the board of directors specifying the following:

Below is the list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those available with the board:

Sr. No.	Skills/Expertise/ Competencies	Business Operations	Entrepreneurship	Accounts & Finance	Legal Compliance
Name of Director					
1.	Mrs. Shehnaz D Ali	√	√	×	×
2.	Mr. Harikant Turgalia	√	×	√	×
3.	Mr. Asad Daud	√	√	√	×
4.	Mr. Ramesh Chandra Soni	√	×	√	√
5.	Mr. Goree Shankar Shrimali	√	×	√	×
6.	Mr. Nikhil Raut	×	×	√	×

j. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.

No Independent Director has resigned before the expiry of his tenure.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the reporting Financial Year, a separate Meeting of the Independent Directors of the Company, was held on February 19, 2022, where the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed:

- a) Review of performance of Non-Independent Directors and the Board as a whole.
- b) Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

- c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMPANY'S POLICY ON PROHIBITION OF INSIDER TRADING

The Company has also formulated a Code of Conduct to Regulate, Monitor and Report Trading by Insiders to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the Code is available on the website of Company under 'Corporate Governance' in the 'Investor Relation' section.

SUBSIDIARY COMPANIES

The Company has Six (6) subsidiaries (Five Indian and one foreign unlisted subsidiary) as on March 31, 2022 namely:

- 1. Sah Polymers Limited
- 2. Aeroflex Industries Limited

3. Aeroflex Finance Private Limited
4. Aeroflex International Limited
5. Italica Furniture Private Limited
6. Italica Global FZC, UAE

Out of the above-mentioned Companies, Sah Polymers Limited and Aeroflex Industries Limited are material unlisted subsidiary Companies.

The Board has approved a Policy Statement for determining 'Material Subsidiaries' of the Company viz. SAT INDUSTRIES LIMITED and the same is available on the website of the Company, www.satgroup.in under 'Corporate Governance' in the 'Investor Relation' section.

All subsidiary companies are managed by their Board of Directors having the rights and obligations to manage such companies in the best interest of their stakeholders.

3. AUDIT COMMITTEE

a. Brief description of terms of reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (section 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II), the Audit Committee Inter alia implement the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with statutory and internal Auditors, one-on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory and their remuneration, recommendation for the appointment and remuneration of internal, in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

b. Composition, Name of Members and Chairperson:

The Audit Committee comprises one Executive Director and two Non-Executive Directors as members. All members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Composition of Audit Committee as on March 31, 2022, is given below:

Sr. No.	Name	Category	Designation
1.	Mr. Ramesh Chandra Soni	Non-Executive Independent	Chairman
2.	Mr. Harikant Turgalia	Executive	Member
3.	Mr. Nikhil Raut	Non-Executive Independent	Member

c. Meetings and attendance during the year:

The Audit Committee met four times during the Financial Year, i.e. on June 02, 2021, June 25, 2021, July 23, 2021, November 02, 2021, December 16, 2021, February 09, 2022 and March 09, 2022. The maximum time gap between any two meetings are not more than 120 days.

The necessary quorum was present at the meetings. The attendance of each member of the Company is given below:

Name	No. of meeting held	No. of meeting attended
Mr. Ramesh Chandra Soni	7	7
Mr. Harikant Turgalia	7	7
Mr. Nikhil Raut	7	7

4. NOMINATION AND REMUNERATION COMMITTEE

a. Brief description of terms of reference

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Whole time Directors as well as the nomination and appointment of Directors of the Company.

Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/whole time Director(s) and Senior Management (one level below the Board);

- i. To help in determining the appropriate size, diversify and composition of the Board.
- ii. To recommend to the Board appointment/re-appointment and removal of Directors;
- iii. To frame criteria for determining qualifications, positive attributes and independence of Directors;
- iv. Fixing the remuneration to executive Directors. To create an evaluation framework for Independent Directors and the Board;
- v. To assist in developing a succession plan for the Board;
- vi. To assist the Board in fulfilling responsibilities entrusted from time to time;

b. Composition, Name of Members and Chairperson:

Sr. No.	Name	Category	Designation
1.	Mr. Ramesh Chandra Soni	Non-Executive Independent	Chairman
2.	Mr. Goree Shankar Shrimali	Non-Executive Independent	Member
3.	Mr. Nikhil Raut	Non-Executive Independent	Member

c. Meetings and attendance during the year:

The Nomination and Remuneration Committee met One (1) time during the financial year, on June 02, 2021.

The necessary Quorum was present at the meetings. The attendance of each member of the Company is given below:

Name	No. of meeting held	No. of meeting attended
Mr. Ramesh Chandra Soni	1	1
Mr. Goree Shankar Shrimali	1	1
Mr. Nikhil Raut	1	1

d. Performance evaluation criteria for Independent Directors:

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The evaluation of all directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

5. STAKEHOLDER GRIEVANCES COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Grievance Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

The member correspondences, queries, grievances etc. are endeavored to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Grievance Committee which meets at quarterly intervals.

a. Name of Non-Executive Director heading the Committee:

Mr. Ramesh Chandra Soni, Non-Executive Independent Director was appointed as the Chairman of the Stakeholders Relationship / Grievance Redressal Committee. The Committee consists of the following persons:

Sr. No.	Name	Designation
1.	Mr. Ramesh Chandra Soni	Chairman
2.	Mr. Harikant Turgalia	Member
3.	Mrs. Shehnaz D. Ali	Member

b. Name and designation of Compliance Officer:

Ms. Alka Premkumar Gupta is the Compliance Officer. Her designation is Company Secretary.....

c. Number of shareholders' complaints received during the financial year:

No shareholder complaint was received during financial year 2021-22.

d. Number of complaints not solved to the satisfaction of shareholders: NIL

e. Number of pending complaints: NIL

f. Meetings and attendance during the year:

The committee met four times on June 25, 2021, July 23, 2021, November 02, 2021 and February 09, 2022. The necessary quorum was present at all meetings. During the year under report no complaints were received. Further there were no complaints outstanding at the beginning and end of the year.

The attendance of each member of the Committee is given below:

Name	No. of meeting held	No. of meeting attended
Mr. Ramesh Chandra Soni	4	4
Mrs. Shehnaz D. Ali	4	4
Mr. Harikant Turgalia	4	4

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR Committee of the Company has been constituted in line with the provisions of Section 135 of the Act.

The company is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take small everyday actions that will make a big difference. This SAT CSR Policy is guided by the following vision:

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.
2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because, the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.
3. The Company aims to fulfill the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

7. REMUNERATION OF DIRECTORS

a. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

There is no pecuniary relationship or transactions of the non-executive director vis-à-vis the company.

b. Criteria of making payments to non-executive directors:

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company www.satgroup.in in the 'Investor relation' section in 'Corporate Governance'.

c. Disclosures with respect to Remuneration for FY 2021-2022:

Name of Director	Category	Salary perquisites & other allowances	Stock option/ Bonus/ Other performance linked incentives	Total	Service contract/ notice period/ severance fees
Mrs. Shehnaz D. Ali	Whole-time Director	₹ 19,03,944/- p.a.	Nil	₹ 19,03,944/- p.a.	***
Mr. Harikant Turgalia	CFO & Whole-time Director	₹ 16,77,088/- p.a.	Nil	₹ 16,77,088/- p.a.	***

Service Contract: 3 years with effect from the date of appointment i.e. 01-01-2022

Notice Period: Three months either side

Severance Fees: Three months salary

8. GENERAL BODY MEETINGS

a. Location and time, where last three Annual General Meetings held:

Annual General Meeting	Date	Time	Location
36 th	September 28, 2021	11:00 a.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
35 th	September 04, 2020	11:00 a.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
34 th	September 14, 2019	9:15 a.m.	Utsav Hall, Samrat Hotel, Prem Court, J. Tata Road, Mumbai - 400 020

b. Special Resolutions passed in the previous three Annual General Meetings:

Date of AGM	Number of Special Resolutions passed, if any
September 28, 2021	2
September 04, 2020	0
September 14, 2019	1

9. MEANS OF COMMUNICATION

a. Quarterly results:

The Company publishes limited reviewed un-audited standalone and consolidated financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the Standalone & Consolidated audited financial results for the complete financial year. During this year Company has sent the quarterly business updates to all the shareholders of the Company.

b. Newspapers wherein results normally published:

Quarterly financial results are regularly submitted to the Stock Exchange in accordance with the Listing Regulations and published in following newspapers:

- Free Press Journal (English)
- Navshakti (Marathi)

c. Website, where displayed:

The financial results and the official news releases are also placed on the Company's website <http://www.satgroup.in/in> in the 'Investor Relations' section.

d. Official news releases:

Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the 'Investor Relations' section under relevant sub-sections.

e. Presentations made to institutional investors or to the analysts:

During the financial year, the Company has not made any presentation to Institutional Investors and Analysts. All Corporate Announcements made to the BSE Limited during the financial year 2021-22 are available on the website of the Company.

10. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting - date, time and venue:

Day: Friday
 Date: 16.09.2022
 Time: 11:00 a.m.
 Mode: Through Video Conference

b. Financial Year: April 01 to March 31.

c. Dates of Book Closure / Record Date: As mentioned in the Notice of this AGM

d. Dividend Payment Date:

The final Dividend, if declared by the Shareholders at the Annual General Meeting shall be paid/credited on or before October 14, 2022 i.e. within 30 days from the date of declaration

e. Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):

Equity shares of the company are listed on BSE Limited located at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. The annual listing fees for FY 2021-2022 to BSE have been paid by the Company within stipulated time.

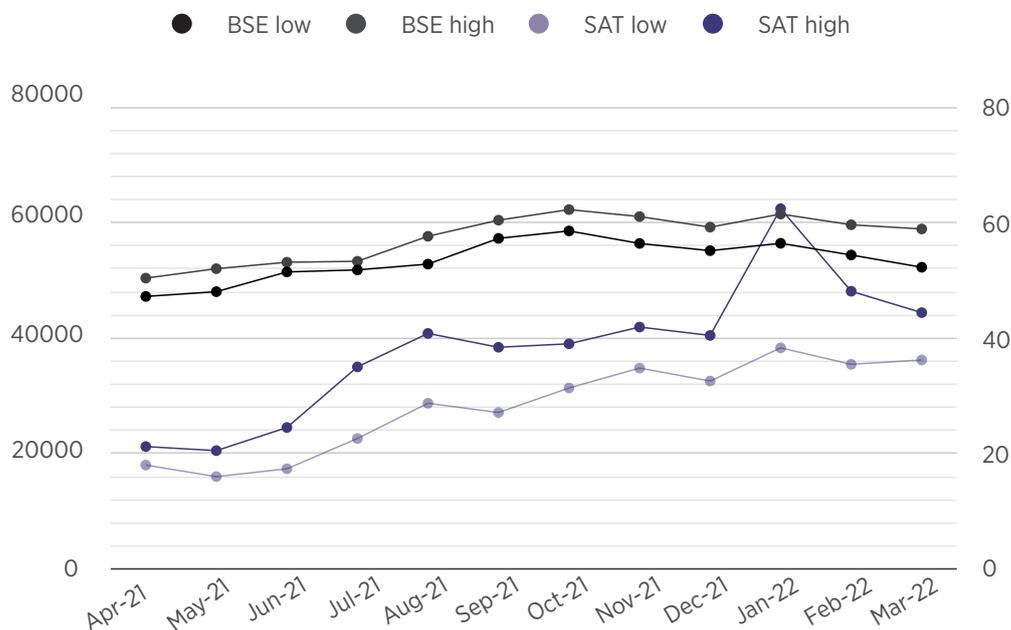
f. Stock Code:

Security ID	Security Code	ISIN
SATINDLTD	511076	INE065D01027

g. Market price data - high, low during each month in last financial year

Month	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
High	21.20	20.50	24.50	35.00	40.80	38.40	39.00	41.90	40.45	62.40	48.10	44.40
Low	18.00	16.00	17.35	22.60	28.70	27.10	31.35	34.80	32.55	38.30	35.45	36.20

h. Performance in comparison to BSE Sensex:



i. In case the securities are suspended from trading, the Directors Report shall explain the reason thereof: Not Applicable

j. Registrar to an issue and Share Transfer Agents

M/s. Link Intime India Private Limited

(Unit: Sat Industries Limited)

247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W),

Mumbai - 400 083

Phone: +91-22-49186000

Fax: +91-22-49186060

E-mail: mumbai@linkintime.co.in

Website: www.linkintime.co.in

k. Share transfer system

Share certificates, received in physical form, are processed and returned in 10 to 15 days from the date of receipt, subject to the documents being valid and complete. As per the guidelines of the Securities and Exchange Board of India (SEBI), the Company offers the facility of transfer-cum-dematerialisation (demat).

Shares held in the dematerialised form are electronically traded in the depository. The registrar and share transfer agents of the company periodically receive from the depository the beneficiary holdings to enable them to update their records and to send out corporate communications such as dividend warrants.

l. Distribution of Shareholding as on March 31, 2022

Sr. No.	Shares Range		No. of Shareholders	% of Total Shareholders	Total Shares for The Range	% of Issued Capital
1	1	to 1000	2459	72.01	712680	0.32
2	1001	to 2000	357	10.45	606096	0.27
3	2001	to 4000	191	5.59	585292	0.26
4	4001	to 6000	81	2.37	416622	0.18
5	6001	to 8000	49	1.44	344542	0.15
6	8001	to 10000	45	1.32	433568	0.19
7	10001	to 20000	81	2.37	1223992	0.54
8	20001	to Above	152	4.45	2221847208	98.09
Total			3415	100	226170000	100

m. Dematerialization of shares and liquidity

The Company's shares are available for trading in the depository system of both NSDL and CDSL. As at the financial year end 11,30,84,970 equity shares forming 99.9999 % of the share capital of the Company, stand dematerialised. The Company's share is actively traded on BSE. Any shareholder desiring to transfer his shares either in physical form or to get the physical shares converted into electronic form may contact the RTA for necessary advise and the procedure.

n. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no GDRs/ADRs/Warrants outstanding as on March 31, 2022.

o. Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

p. Plant locations

The Company does not have any plant.

q. Address for Correspondence

(1) Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited
(Unit: Sat Industries Limited)
247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W),
Mumbai - 400 083
Phone: +91-22-49186000
Fax: +91-22-49186060
E-mail: mumbai@linkintime.co.in
Website: www.linkintime.co.in

(2) Investor Relation Department of the Company:

Ms. Alka Premkumar Gupta
Company Secretary and Compliance Officer
SAT INDUSTRIES LIMITED
121, B-Wing, Mittal Tower, Nariman Point,
Mumbai - 400 021, India
Phone: +91-22-66107025
Fax: +91-22-66107027
E-mail: corporate@satgroup.in

r. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

During the year under review the Company has not obtained any credit ratings.

11. OTHER DISCLOSURES

a. Materially significant related party transaction:

There have been no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives which have a potential conflict with the interests of the Company. All the related party transactions have been done at arm's length price and in the ordinary course of business with the prior approval of the Audit Committee. As per section 177 and 188 of The Companies Act 2013, Related Party Transaction policy is also available on the company website.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

c. Establishment of vigil mechanism

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Corporate Governance' in the 'Investor relation' section and can be accessed at: <https://satgroup.in/investor-relations/>

f. Web link where policy on dealing with related party transactions is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Corporate Governance' in the 'Investor relation' section and can be accessed at <https://satgroup.in/investor-relations/>

g. Disclosure of commodity price risks and commodity hedging activities:

The Company does not deal in commodities price risks and commodity hedging activities, hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

i. Certificate from a Company Secretary in Practice about disqualification of Director/s by SEBI/MCA/any other statutory body:

A Certificate has been received from Dr. S. K. Jain, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. Certificate is annexed herewith as "Annexure - I"

j. Non-acceptance of any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: NIL

k. The Total audit and taxation fees paid by the listed entity and its subsidiaries, on a consolidated basis are as follows:

(₹ in lakhs)	
Particulars	Amount
Services as statutory auditors	5.18
Services for tax matters	0.22
Certification fees	0.03
Total	5.43

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Status
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

12. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II.

a. The Board of Directors:

The Company has no Chairman either executive or non-executive.

b. Shareholder Rights:

As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's

Website www.satgroup.in, hence the results are not sent to household of each of the shareholders. The complete Annual report is sent to each and every shareholder of the Company.

c. Audit Qualifications:

The Auditors have raised no qualification on the financial statements for the year ended March 31, 2022.

d. Separate posts of Chairperson and CEO :

Presently, there is no Chairperson in the Company.

e. Reporting of Internal Auditor:

The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

13. DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT.

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics.

The Board has adopted a Code of conduct for Directors and Senior Management of the Company

The Code is available on the website of the Company under 'Corporate Governance' in the 'Investor relation' section and can be accessed at: <https://satgroup.in/investor-relations/>

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

As per Regulation 17 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Harikant Turgalia, CFO and Whole-Time Director of the Company do hereby confirm and declare that all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct during the financial year ended March 31, 2022.

For Sat Industries Limited

Place: Mumbai
Date: May 30, 2022

Harikant Turgalia
CFO and Whole-time Director
DIN: 00049544

15. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

The Certificate from the Practicing Company Secretaries of the Company regarding compliance of conditions of corporate governance is annexed with Corporate Governance Report in "Annexure -II"

16. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have any of its securities lying in Demat/ unclaimed suspense account arising out of public/ bonus/right issues as at 31st March, 2022. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

17. OTHER USEFUL INFORMATION FOR SHAREHOLDERS:

a. Update E-mails for receiving notice/ documents in e-mode:

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible corporate citizen, your Company fully supports the MCA's endeavor.

In accordance of the same, your Company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the Company in the Form annexed with the Notice of Annual General Meeting enabling the Company to better service shareholder correspondence through e-mode. The shareholders have also an option to register their email addresses with their Depository through Depository Participant.

b. Dematerialization of Shares:

Equity Shares of the Company are under compulsory demat trading segment. Considering the advantages of scrip less trading, members are advised to consider dematerialization of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/misplacement, delay in transit etc. and also to ensure safe and speedy transaction in securities.

c. Transfer / Transmission / Transposition of Shares:

The Securities and Exchange Board of India (SEBI), vide its Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and Circular No. MRD/DoP/SE/RTA/Cir-03/2010 dated January 07, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the Company in the following cases:

- i. registration of physical transfer of shares;
- ii. deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders;
- iii. transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and
- iv. Transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders. Investors, therefore, are requested to furnish the self-attested copy of PAN card, at the time of sending the physical share certificate(s) to the Company, for effecting any of the above stated requests. Shareholders are also requested to keep record of their specimen signature before lodgment

of shares with the Company to avoid probability of signature mismatch at a later date.

d. Consolidation of Multiple Folios:

Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

e. Nomination Facility:

Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/ successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

f. Update your Correspondence Address / Bank Mandate / Email Id:

To ensure all communications/ monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company, change in their address / bank details / email Id instantly by written request under the signatures of sole/ first joint holder.

Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details / address / email Id directly with their respective DPs.

g. Quote Folio No. / DP ID No.:

Shareholders / Beneficial Owners are requested to quote their Folio Nos. / DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact / Fax numbers for prompt reply to their correspondence.

For and on behalf of Board of Directors of
SAT INDUSTRIES LIMITED

Place: Mumbai
Date: July 26, 2022

Harikant Turgalia
CFO and Whole-time Director
DIN: 00049544

Shehnaz D. Ali
Whole-time Director
DIN: 00185452

Annexure - I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
SAT INDUSTRIES LIMITED
121, B-Wing, Mittal Tower,
Nariman Point Mumbai 400021

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sat Industries Limited having CIN: L25199MH1984PLC034632 and having registered office at 121, B-Wing, Mittal Tower, Nariman Point Mumbai 400021(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri. Ramesh Chandra Soni	00049497	28/09/2006
2.	Shri. Harikant Turgalia	00049544	27/09/2001
3.	Smt. Shehnaz D Ali	00185452	27/09/2001
4.	Shri. Asad Daud	02491539	22/04/2014
5.	Shri. Nikhil Khanderao Raut	06653335	01/10/2014
6.	Shri. Goree Shankar Shrimali	08198667	28/09/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR S. K. JAIN & CO
Company Secretaries

Place: Mumbai
Date: July 18, 2022

Dr. S. K. JAIN
Proprietor
M.No. FCS: 1473
C.P. No. 3076
UDIN: : F001473D000638868

Annexure - 'II'

PRACTICING COMPANY SECRETARIES CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REPORT

To the Members of
SAT INDUSTRIES LIMITED
121, B-Wing, Mittal Tower,
Nariman Point Mumbai 400021

We have examined the compliance of conditions of Corporate Governance by **Sat Industries Limited ('the Company')** for the financial year ended on **March 31, 2022**.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

The Compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) to (i) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTION ON USE

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR S. K. JAIN & CO
Company Secretaries

Place: Mumbai
Date: July 18, 2022

Dr. S. K. JAIN
Proprietor
C.P. No. 3076
UDIN: F001473D000639165

Independent Auditor's Report

Report on the Audit of the Consolidated Financial Statements

To the Members of Sat Industries Limited

Opinion

We have audited the accompanying consolidated financial statements of Sat Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, the consolidated Profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

On the facts and circumstances of the Group and the audit, we determine that there are no key audit matters to communicate.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information

comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group and of its associates.

Independent Auditor's Report continued

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 ability of the Group 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 consolidated 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 Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 30185.15 lakhs (after consolidated adjustments) as at March 31, 2022 total revenues of ₹ 32,536.53 lakhs (after consolidated adjustments) and net cash inflows (after consolidated adjustments) amounting to ₹ 413.87 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the

Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of one subsidiary situated outside India, whose financial statements reflect total assets of ₹ 2,842.71 lakhs (after consolidated adjustments) as at March 31, 2022 total revenues of ₹ 652.64 lakhs (after consolidated adjustments) and net cash inflows (after consolidated adjustments) amounting to (₹ 7.38 lakhs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements are un-audited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the financial statement provided by the Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements As required by Section 143(3) of the Act, we report, to the extent applicable, that:

1. 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 Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. (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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group 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 Group 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - (iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries 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 Holding Company and

Independent Auditor's Report continued

- its subsidiary companies 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 Holding Company and its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries 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 Holding Company and its subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary companies shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that 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 Holding Company and its subsidiary companies have complied with Section 123 of the Act, wherever applicable, with regard to dividend declared and paid.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Place of signature: Mumbai
Date: May 30, 2022

Annexure - A

to the Independent Auditor's Report (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

- (i) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Place of signature: Mumbai
Date: May 30, 2022

Annexure - B

to the Independent Auditor's Report (Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Sat Industries Limited (hereinafter referred to as "the Parent") and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent, its subsidiary companies and, its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Place of signature: Mumbai
Date: May 30, 2022

Consolidated Balance Sheet

As at March 31, 2022

(₹ in lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	6,910.97	6,653.88
(b) Capital work-in-Progress	3	1,303.44	1.75
(c) Investment Property		-	-
(d) Goodwill on Consolidation		1,107.57	799.76
(e) Other Intangible Assets	3	31.22	27.71
(f) Intangible assets under development		26.11	26.11
(g) Biological Assets other than bearer plants		-	-
(h) Investments accounted for using the equity method		-	-
(i) Financial Assets			
(i) Investments	4	996.63	623.24
(ii) Trade receivables		-	-
(iii) Loans	5	497.36	495.67
(iv) Others	6	123.42	149.78
(j) Deferred tax assets (net)		-	-
(k) Other non-current assets	7	418.42	125.21
(2) Current assets			
(a) Inventories	8	5539.99	4,004.23
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	9	8,085.99	5,350.10
(iii) Cash and cash equivalents	10	1,341.33	975.13
(iv) Bank balances other than (iii) above	11	73.57	64.15
(v) Loans	5	5,084.18	4,231.29
(vi) Others	6	173.91	42.85
(c) Current Tax Assets (Net)	12	3.49	6.17
(d) Other current assets	7	6173.22	6,832.66
Total Assets		37,890.82	30,409.69
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	2,261.70	2,261.70
(b) Other Equity	14	18,032.68	14,540.23
Equity attributable to the Owners of the Parent		18,032.68	14,540.23
Non Controlling interest		874.12	314.90
Total Equity		21,168.50	17,116.83
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,245.43	3,644.95
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	2,245.43
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	16	287.47	184.07
(d) Other non-current liabilities	17	-	0.90
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	6,822.14	3,608.14
(ii) Trade payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		8.66	55.49
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		4,729.37	4,445.41
(iii) Other financial liabilities(other than those specified in item(c))		-	11,560.17
(b) Other current liabilities	21	1,699.22	1,320.33
(c) Provisions	22	32.75	4.82
(d) Current Tax Liabilities (Net)	23	897.28	28.75
Total Equity and Liabilities		37,890.82	30,409.69
See accompanying notes to financial statements	1 to 66	-	-

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholtime Director
DIN: 00185452

HARIKANT TURGALIA
Wholtime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Mumbai, May 30, 2022

Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in lakhs)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	24	34,673.01	20,475.70
II Other income	25	475.21	33.96
III Total Income (I+II)		35,148.22	20,509.66
IV Expenses :			
Cost of Materials consumed	26	21,272.41	12,568.66
Purchases of Stock-in-Trade	27	2,036.26	817.40
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(348.00)	(36.70)
Employee benefits expense	29	2,191.52	1,635.46
Finance costs	30	736.74	847.76
Depreciation and amortization expense	3	581.05	523.47
Other expenses	31	3,651.52	2,908.99
Total expenses (IV)		30,121.50	19,265.04
V Profit before share of profit / (loss) of an associate and exceptional items (III-IV)		5,026.72	1,244.62
VI Share of profit/(loss) of an associate		-	(1.49)
VII Profit before exceptional items and tax (V+VI)		5,026.72	1,243.13
VIII Exceptional items		-	-
IX Profit before tax (VII+VIII)		5,026.72	1,243.13
X Tax expense :			
(1) Current tax		1,055.32	68.43
Less:- MAT Adjust		4.37	-
		1,050.95	68.43
(2) Prior Period income tax		(0.55)	9.52
(3) Deferred tax		105.67	221.52
XI Profit for the period from continuing operation (IX-X)		3,870.65	943.66
XII Profit/(Loss) from discontinued operations.		-	-
XIII Tax expense of discontinued operations		-	-
XIV Profit/(loss) from discontinued operation (after tax) (XII-XIII)		-	-
XV Profit for the period (XV+XVI)		3,870.65	943.66
XVI Other Comprehensive Income			
A (i) item that will not be reclassified to profit or loss		-	-
Equity instrument through other comprehensive income		1.39	10.27
(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			
Exchange difference in translating the financial instatement of foreign operations		103.95	(73.83)
(ii) Income tax relating to item that will be reclassified to profit or loss		-	105.34
(63.56)			
XVII Total Comprehensive Income for the period (XVI+XVII)		3,975.99	880.10
Attributable to			
(a) Owners of the parent		3,659.72	813.57
(b) Non-controlling interests		316.27	66.53
Of the Total Comprehensive income			
Profit for the year attributable to:			
Owners of the parent		3,554.38	877.13
Non-controlling interests		316.27	66.53
Of the Total comprehensive income above,			
Other Comprehensive income attributable to :			
Owners of the parent		105.34	(63.56)
Non-controlling interests		-	-
XVIII Earnings per equity share: (for continued operations):			
(1) Basic	32	3.42	0.83
(2) Diluted	32	3.42	0.83
XIX Earnings per equity share: (for discontinued operations):			
(1) Basic		-	-
(2) Diluted		-	-
XX Earnings per equity share: (for discontinued & continuing operations)			
(1) Basic	32	3.42	0.83
(2) Diluted	32	3.42	0.83
See accompanying notes to financial statements	1 to 66		

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Mumbai, May 30, 2022

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholetime Director
DIN: 00185452

HARIKANT TURGALIA
Wholetime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Consolidated Cash Flow Statement

For the year ended March 31, 2022

(₹ in lakhs)

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	Cash Flow from Operating Activities		
	Net Profit before tax	5,026.72	1,243.13
	Adjustments for:		
	Depreciation	581.05	523.47
	Gratuity and leave encashment	-	(4.01)
	Interest Paid	846.45	612.22
	Bad Debts	-	180.03
	Loss/(Profit) on sale of Property, plant and equipment	(240.82)	4.02
	Loss of associates	-	1.49
	Foreign exchange on translation	103.95	(73.83)
	(Profit)/Loss on Sale of investments	(148.60)	(23.76)
	Operating Profit before working capital changes	6,168.75	2,462.76
	Adjustment for :		
	Inventories	(1,535.76)	(268.21)
	Trade receivables	(2,735.89)	(329.30)
	Trade payables	237.13	(32.60)
	Loans	(854.58)	(1,422.14)
	Other financial assets	(140.48)	(92.07)
	Other non-current financial assets	26.36	128.86
	Financial liabilities	-	536.33
	Current liabilities and provisions	369.72	270.47
	Increase current tax assets	2.68	(3.74)
	Increase/(Decrease) non-current assets	(293.21)	57.01
	Other Non current liabilities	(0.90)	0.58
	Increase in other current assets	659.44	664.66
	Cash Generated from Operations	1,903.26	1,972.61
	Income Tax Paid	181.87	65.79
	Net Cash Inflow /(Outflow) from Operation (A)	1,721.39	1,906.82
B	Cash Flow from Investing Activities:		
	Sale of Property, plant and equipment	353.90	0.72
	Purchase of fixed assets	(997.08)	(526.42)
	Purchase Intangible Assets	(16.47)	-
	Purchase of investments - Non Current	(454.53)	(144.74)
	WIP	(1,301.69)	(1.60)
	Acquisition of subsidiary	-	0.00
	Sale of investment	259.92	130.91
	Net Cash Inflow/(Outflow) from investing Activities (B)	(2,155.95)	(541.13)
C	Cash flow from Financing Activities		
	Increase in borrowings	3,183.23	(484.46)
	Repayment of borrowings	(1,399.52)	-
	Dividend payment	(113.09)	-
	Capital issue Expenses	(54.18)	-
	Interest Paid	(846.45)	(612.22)
	Net Cash Inflow /(Outflow) from Financing Activities (C)	769.99	(1,096.68)
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	335.43	269.01
	As at the beginning of the year	975.13	607.70
	Less : Cash Credit	690.54	592.12
	As at the end of the year	1341.33	975.13
	Less : Cash Credit	721.31	690.54
	Net Increase/(Decrease) in cash & Cash equivalents	335.43	269.01

As per our Audit Report Attached

Notes:

- 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
SAMPATI LAL BOHARA & CO.,
Chartered Accountants
FRN: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Mumbai, May 30, 2022

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholtime Director
DIN: 00185452

HARIKANT TURGALIA
Wholtime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

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 to prior period errors	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 March 31, 2022	2160.00	0.00	0.00	0.00	2160.00

(₹ in lakhs)

(2) PREVIOUS REPORTING PERIOD:

	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	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 March 31, 2021	2160.00	0.00	0.00	0.00	2160.00

(₹ in lakhs)

OTHER EQUITY

	Reserves & Surplus				Equity Instruments through other Comprehensive Income	Exchange difference on translating financial operation	Capital Issue Expenses	Attributable to owners of the parent	Non-controlling interest	Total
	Statutory Reserve	Capital Reserve	Securities premium	General Reserve						
Balance at the beginning of the reporting period - April 01, 2020	2.57	2,584.29	8,000.75	127.04	2,227.42	843.98	-	13,726.66	248.37	13,975.03
Profit for the year	-	-	-	-	877.13	-	-	877.13	66.53	943.66
Total Comprehensive income for the year	-	-	-	-	10.27	(73.83)	-	(63.56)	-	(63.56)
Transfer to/from	3.91	-	-	-	(3.91)	-	-	-	-	-
Capital Expenses	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period - March 31, 2021	6.48	2,584.29	8,000.75	127.04	3,100.64	770.15	-	14,540.23	314.90	14,855.13
Profit for the year	-	-	-	-	3,554.38	-	-	3,554.38	559.22	4,113.60
Total Comprehensive income for the year	-	-	-	-	1.39	103.95	-	105.34	-	105.34
Transfer to/from	-	-	-	-	(113.09)	-	-	(113.09)	-	(113.09)
Capital Expenses	-	-	-	-	-	-	-	(54.18)	(54.18)	(54.18)
Balance at the end of the reporting period - March 31, 2022	6.48	2,584.29	8,000.75	127.04	6,541.93	874.10	-	18,032.68	874.12	18,906.80

(₹ in lakhs)

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

SHEHNAZ D ALI
Wholtime Director
DIN: 00185452

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

HARIKANT TURGALIA
Wholtime Director and CFO
DIN: 00049544

Signatures to the Financial Statements and Notes

Notes to Consolidated Financial Statements

1. COMPANY INFORMATION

SAT Industries Limited (SIL) - parent - is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. SIL is engaged in the manufacture of flexible packaging, Hose pipes, leasing, investment etc. activities on its own and through subsidiaries and associate companies.

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 116 – 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.

Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiaries and together with the share of the total comprehensive income of associates.

Subsidiaries are entities controlled by the Group. Associate is an entity over which the Group exercise significant influence but does not control.

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes. An investment in an associate is initially recognized at cost on the date of the investment, and inclusive of any goodwill / capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as "equity method").

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to Consolidated Financial Statements

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group'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. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP. 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 Group are as follows:

Buildings	30 Years
Plant and Equipment	7 – 25 Years
Furniture and Fixtures	8 – 10 Years
Vehicles	8 – 10 Years
Office Equipment	5 Years

No write off is made in respect of leasehold land.

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.

Goodwill on Consolidation

Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss. On acquisition of an associate, the goodwill / capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

Intangible Assets

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

- for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable 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 carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at April 01, 2016 measured as per the previous GAAP.

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.

Notes to Consolidated Financial Statements

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 FIFO 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 presentation currency of the Group 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 Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements:

- (a) assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end;
- (b) income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.

Investment in Associate

Investment in Associate is accounted for using the 'equity method' less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Group 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

Notes to Consolidated Financial Statements

when the Group 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 Group 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 Group 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.

Notes to Consolidated Financial Statements

Revenue from the sale of goods includes excise and other duties which the Group pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership 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 Group may receive government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group 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 Group 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.

- ii) 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 Group 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.

- iii) 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.

Group 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.

Notes to Consolidated Financial Statements

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.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group 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 Group 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 Group 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 the 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.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

Financial and Management Information Systems

The Group'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

Notes to Consolidated Financial Statements

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 following are the judgements, apart from those involving estimations (see note below), that the Group have made in the process of applying the accounting policies and that have a significant effect on the amounts recognised in the consolidated financial statements:

1. Control:

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power/rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Company (and its subsidiaries) and other shareholders of the investees. Based on this, and in accordance with its Accounting Policy, the Group has determined that the entities listed in the notes to the financial statements are the only entities over which Group has control.

2. Significant influence:

The Group assessed whether or not it has significant influence on its investees based on its practical ability to participate in the financial and operating policy decisions of the investee, though it is not in control of these policies. Based on such assessment, the Group determined that the entities listed in the notes to the financial statements are the only entities over which the Group has significant influence, and accordingly associates.

3. Useful life of Intangible Assets:

The Group is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

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 Group 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 Group'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 Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group 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 Group'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 respect 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.

Notes to Consolidated Financial Statements

NOTE NO 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Owned Assets							Under Operating Lease					Total	
	Land : Leasehold*	Building	Plant and Equipment	Furniture and Fixtures	Vehicle	Office equipment	D.G.Set	Tube well	Land - Free hold	Computer	Moulds	Plant and Equipment		
Year ended March 31, 2022														
GROSS CARRYING AMOUNT														
Opening Gross Carrying Amount	1,650.96	2,728.65	7,415.09	352.78	261.58	225.44	57.28	1.16	115.45	178.66	659.95	425.96	14,072.96	
Additions	-	99.78	593.52	22.12	30.04	16.71	-	-	0.51	40.74	6.94	-	810.36	
On acquisition of subsidiary	-	6.27	88.96	17.32	3.42	7.45	-	-	-	4.34	-	-	127.76	
Disposals/Adjustment	-	-	2.89	-	6.97	0.73	-	-	-	0.40	54.06	94.36	159.41	
Closing Gross Carrying Amount	1,650.96	2,834.70	8,094.68	392.22	288.07	248.87	57.28	1.16	115.96	223.34	612.83	331.60	14,851.67	
ACCUMULATED DEPRECIATION														
Opening Accumulated Depreciation	-	1,722.43	4,617.86	294.11	146.88	210.60	26.94	0.45	-	155.51	144.43	99.87	7,419.08	
Depreciation charge during the year	-	94.20	352.67	14.63	38.25	22.41	2.51	0.04	-	21.80	25.10	16.32	567.93	
Disposals/Adjustments	-	-	-	-	6.97	1.56	-	-	-	-	20.72	17.06	46.31	
Closing Accumulated Depreciation	-	1,816.63	4,950.53	308.74	178.16	231.45	29.45	0.49	-	177.31	148.81	99.13	7,940.70	
Net Carrying Amount	1,650.96	1,018.07	3,144.15	83.48	109.91	17.42	27.83	0.67	115.96	46.03	464.02	232.47	6,910.97	
Year ended March 31, 2021														
GROSS CARRYING AMOUNT														
Opening Gross Carrying Amount	1,650.96	2,728.65	7,184.70	336.18	232.84	163.37	57.28	1.16	-	164.49	659.95	425.96	13,605.54	
Additions	-	-	240.74	20.07	28.74	63.32	-	-	115.45	14.17	-	-	482.49	
Disposals/Adjustment	-	-	10.35	3.47	-	1.25	-	-	-	-	-	-	15.07	
Closing Gross Carrying Amount	1,650.96	2,728.65	7,415.09	352.78	261.58	225.44	57.28	1.16	115.45	178.66	659.95	425.96	14,072.96	
ACCUMULATED DEPRECIATION														
Opening Accumulated Depreciation	-	1,627.74	4,381.98	283.92	125.03	122.64	24.43	0.42	-	147.31	119.15	83.33	6,915.95	
Depreciation charge during the year	-	94.69	242.11	13.04	21.85	89.21	2.51	0.03	-	8.20	25.28	16.54	513.46	
Disposals/Adjustments	-	-	6.23	2.85	-	1.25	-	-	-	-	-	-	10.33	
Closing Accumulated Depreciation	-	1,722.43	4,617.86	294.11	146.88	210.60	26.94	0.45	-	155.51	144.43	99.87	7,419.08	
Net Carrying Amount	1,650.96	1,006.22	2,797.23	58.67	114.70	14.84	30.34	0.71	115.45	23.15	515.52	326.09	6,653.88	

*No write off has been made in respect of leasehold land and refer to note 41.

Notes to Consolidated Financial Statements

INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Owned Assets	
	Computer Software	Total
Year ended March 31, 2022		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	74.51	74.51
Additions	16.63	16.63
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	91.14	91.14
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	46.80	46.80
Depreciation charge during the year	13.12	13.12
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	59.92	59.92
Net Carrying Amount	31.22	31.22
Year ended March 31, 2021		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	56.69	56.69
Additions	17.82	17.82
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	74.51	74.51
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	36.79	36.79
Depreciation charge during the year	10.01	10.01
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	46.80	46.80
Net Carrying Amount	27.71	27.71

CAPITAL WORK IN PROGRESS

(₹ in lakhs)

Particulars	Owned Assets						Total
	Building under construction	Tube well	Furniture & Fixture	DG Set	Electric Fitting	Preoperative exp.	
Year ended March 31, 2022							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	1.75	-	-	-	-	-	1.75
Additions	1,040.29	3.53	0.07	0.69	129.03	128.08	1,301.69
Disposals/Adjustment	-	-	-	-	-	-	-
Closing Gross Carrying Amount	1,042.04	3.53	0.07	0.69	129.03	128.08	1,303.44
Year ended March 31, 2021							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	-	-	-	-	-	-	-
Additions	1.75	-	-	-	-	-	1.75
Disposals/Adjustment	-	-	-	-	-	-	-
Closing Gross Carrying Amount	1.75	-	-	-	-	-	1.75

Notes to Consolidated Financial Statements

Note :

- (i) There is no immovable properties whose title deeds are not held in the name of the Parent and Subsidiary companies.
- (ii) The Group has not revalued its Property, Plant and Equipment.
- (iii) The Group has not revalued its Intangible assets.
- (iv) Capital Work-in-Progress (CWIP)

(a) CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,301.69	1.75	-	-	1,303.44
Projects temporarily suspended	-	-	-	-	-

- (v) Intangible assets under development:

Intangible Assets under development ageing schedule

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	-	26.11	-	-	26.11
Projects temporarily suspended	-	-	-	-	-

NOTE 4: NON-CURRENT INVESTMENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unquoted :		
INVESTMENT IN EQUITY INSTRUMENT		
RNT Wellness Pvt Ltd	-	3.29
0 (Pr.yr.79) Equity Shares of ₹ 10/- each fully paid up		
Ketto Online Ventures Private Limited	-	0.71
0 (Pr.yr.10) Equity Shares of ₹ 1 /- each fully paid up		
Vphrase Analytics Solution Pvt Ltd	10.13	10.13
112 (Pr.yr.112) Equity Shares of ₹ 10/- each fully paid up		
GetupForChange Services Private Limited	0.56	0.56
5 (Pr.yr.5) Equity Shares of ₹ 10/- each fully paid up		
Ideope Media Pvt Ltd	0.10	0.10
01 (Pr.yr. 01) Equity Shares of ₹ 10/- each fully paid up		
My Aashiana Management Services P Ltd	19.23	8.23
18902 (Pr.yr.9585) Equity Shares of ₹ 1 /- each		
Urbtranz Technologies Pvt Ltd	3.09	3.09
279 (Pr.yr.279) Equity Share of ₹ 10/- each		
Idea bubbles Consulting Services P Ltd	20.00	20.00
1821 (Pr.yr.1821) Equity Share of ₹ 1 /- each		
Creditas Solutions Private Limited	55.00	55.00
2904 (Pr.yr.2904) Equity Share of ₹ 10/- each		
Zeva Capsol Private Limited	20.01	20.01
19634 (Pr.yr.19634) Equity Share of ₹ 10/- each		

Notes to Consolidated Financial Statements

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Reconnext Labs Private Limited	2.11	2.11
16 (Pr.yr.16) Equity Share of ₹ 10/- each		
Eduvanz Financing Private Limited	31.35	31.35
4294 (Pr.yr. 4294) Equity Share of ₹ 10/- each		
Flickstree Productions P Ltd	6.19	6.19
50 (Pr.yr.50) Equity Share of ₹ 10/- each		
Metro politan Exchange Limited	6.10	6.10
500000 (Pr.yr.500000) Equity Share of ₹ 1 /- each		
Nuve Pro Technologies Pvt Ltd	20.00	20.00
76920 (Pr.yr. 76920) Equity Share of ₹ 1 /- each		
Kalprik Technologies Pvt Ltd	5.12	5.12
21688 (Pr.yr. 21688) Equity Share of ₹ 1 /- each		
Bohri Kitchen Pvt Ltd	4.73	4.73
55 (Pr.yr.55) Share of ₹10/- each fully		
Karma Primary Healthcare Services Pvt Ltd	5.97	5.97
1188 (Pr.yr.1188) Equity Share of ₹ 1 /- each fully		
Truelan Textiles Pvt Ltd	3.15	3.15
32 (Pr.yr. 32) Equity Share of ₹ 10/- each fully		
SynThera Biomedical Private Limited	5.03	5.03
82 (Pr.yr.82) Equity Share of ₹ 10/- each fully		
Switchme Technologies and Services Pvt Ltd	5.00	5.00
103 (Pr.yr.103) Equity Share of ₹ 10/- each fully paid-up		
SSMaserTechnology Private Limited	2.60	2.60
23 (Pr.yr.23) Equity Share of ₹ 10/- each fully paid up		
Insource Operational Optimizers Pvt Ltd	5.00	5.00
34165 (Pr.yr. 34165) Equity Share of ₹ 1 /- each fully paid up		
Mynvax Private Limited	5.00	5.00
51 (Pr.yr. 51) Equity Share of ₹ 10/- each fully paid up		
Supa Star Foods P Ltd	9.97	9.97
136 (Pr.yr.136) Equity Share of ₹ 100/- each fully paid up		
Lenden Club Techserve P Ltd	0.01	0.01
1011 (Pr.yr.1011) Equity Share of ₹ 1 /- each fully paid up		
Lightsaber Food Ventures Private Limited	5.82	5.15
51 (Pr.yr.45) "A" Class Equity Share of ₹ 10/- each fully paid up		
Rare Plant Handicrafts Limited	2.58	2.53
514 (Pr.yr. 46) Equity Share of ₹ 10/- each fully paid up		
Irida Interative Private limited	5.53	2.76
30 (Pr.yr. 15) Equity Share of ₹ 10/- each fully paid up		
Wi Digital Services Private Limited	0.29	-
2825 (Pr.yr.0) Equity Share of ₹ 10/- each fully paid up		
Rocktium Com Technology Private Limited	0.01	-
84 (Pr.yr.0) Equity Share of ₹ 10/- each fully paid up		

Notes to Consolidated Financial Statements

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Instoried Research Labs Pvt Ltd	0.03	-
344 (Pr.yr. 0) Equity Share of ₹ 10/- each fully paid up		
Ramtirth Leasing and Finance Co.P Ltd	0.93	-
9265 (Pr.yr. 0) Class "A" Equity Share of ₹ 10/-each fully paid up		
Genext Students Private Limited	11.95	-
1010127 (Pr.yr. 936513) Equity Share of ₹ 10/- each)		
Fibcorp Polyweave Private Limited	-	89.05
0 (Pr yr 9750.00) Equity Shares of ₹ 100/- each		
Ensuredit Technologies Pvt Ltd - E/s	2.54	-
123 (Pr yr 00) Equity Shares of ₹ 100/- each		
Positive Food Ventures Private Limited - E/S	0.12	0.12
89 (Pr yr 89) Equity Shares of ₹ 100/- each		
Vested Finance Inc - E/S	0.01	-
59491 (Pr Yr 0) Equity Shares of \$ 0.10 each		
Mycelium Software	0.01	-
84000 (Pr Yr 0) Equity Shares of \$ 0.00001 each		
CCPS (at fair value through other comprehensive income):		
Ketto Online Ventures Private Limited	-	3.35
0 (Pr.yr.600) Compulsorily Convertible Non-Cumulative Preference shares (CCPS) of ₹ 10/- each fully paid up		
Duronto Technologies Private Limited	10.00	10.00
1122 (Pr.yr.1122) CCPS of ₹ 45/- each fully paid up		
Lithasa Technologies Pvt Ltd	19.03	19.03
83 (Pr.yr.83) Pre - Series A1 CCPS of ₹ 100/- each fully paid up		
Ideope Media Pvt Ltd	4.95	4.95
49 (Pr.yr.49) CCPS of ₹ 10/- each fully paid up		
Stay Vista Private Limited	10.01	10.01
600 (Pr.yr. 600) CCPS of ₹ 10/- each fully paid up		
Manali E-Business Pvt Ltd	5.04	5.04
112 (Pr.yr. 112) 0.01% CCPS of ₹ 10/- each fully paid up		
Silvan Innovation Labs Pvt Ltd	-	5.03
0 (Pr.yr.146) Series A3 CCPS face value of ₹ 200/- each fully paid up		
Riverus Technology Solutions Pvt Ltd		
31286 (Pr.yr.31286) 0.0001% CCPS face value of ₹10/- each fully paid up	5.18	5.18
Text Mercato Solutions Pvt Ltd	5.18	5.18
32 (Pr.yr.32) CCPS face value of ₹ 10/- each fully paid up		
Entellus Business Solutions Pvt Ltd	2.89	2.89
17 (Pr.yr.17) CCPS face value of ₹ 10/- each fully paid up		
Inflect Technologies Private Limited	5.29	5.29
24 (Pr.yr.24) CCPS face value of ₹ 10/- each fully paid up		

Notes to Consolidated Financial Statements

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Trudel Fashion Private Limited	5.19	5.19
33 (Pr.yr 33) CCPS face value of ₹ 10/- each fully paid up		
Modaviti E-Marketing Pvt Ltd	0.01	-
25 (Pr.yr.0) CCPS face value of ₹ 10/- each fully paid up		
Skilancer Solar Private Limited	2.09	-
36 (Pr.yr.0) CCPS face value of ₹ 10/- each fully paid up		
GetupForChange Services Private Limited	1.17	-
84 (Pr.yr.0) CCPS face value of ₹ 300/- each fully paid up		
Mynvax Private Limited	4.70	-
17 (Pr.yr.0) CCPS face value of ₹ 10/- each fully paid up		
Globalvalue Food And Condiments Pvt Ltd	2.50	2.50
26 (pr.yr 26) CCPS of ₹ 10/- each		
Prescinto Technologies Pvt Ltd	-	5.99
0 (pr yr 257) CCPS of ₹ 10/- each		
Tecso Charge Zone Private Limited	-	2.50
0 (pr yr 1191) CCPS of ₹ 10/- each		
Aubotz Labs Pvt Ltd	7.01	-
39 (pr yr 0) CCPS of ₹ 10/- each		
Botson Labs Private Limited	7.52	-
1030 (pr yr 0) CCPS of ₹ 10/- each		
Broomees India Pvt Ltd	11.04	-
64 (pr yr 0) CCPS of ₹ 10/- each		
CarterPorter Pvt Ltd	1.80	-
22 (pr yr 0) CCPS of ₹ 10/- each		
Chakshu.AI Pvt Ltd	10.00	-
985 (pr yr 0) CCPS of ₹ 10/- each		
Comfypets Pvt Ltd	11.03	-
97 (pr yr 0) CCPS of ₹ 10/- each		
Crescere Technologies Pvt Ltd	7.00	-
10 (pr yr 0) CCPS of ₹ 10/- each		
Devnagri AI Private Limited	6.52	-
40 (pr yr 0) CCPS of ₹ 10/- each		
DVDP Technologies Pvt Ltd	7.01	-
79 (pr yr 0) CCPS of ₹ 10/- each		
Ensuredit Technologies Pvt Ltd	2.48	-
120 (pr yr 0) CCPS of ₹ 10/- each		
Expertrons Technologies Pvt Ltd	5.42	-
8 (pr yr 0) CCPS of ₹ 10/- each		
Frello Technology Pvt Ltd	9.23	-
39 (pr yr 0) CCPS of ₹ 10/- each		

Notes to Consolidated Financial Statements

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Giggle Galaxy Private Limited	6.22	-
27064 (pr yr 0) CCPS of ₹ 10/- each		
Joule Consulting Private Limited	6.69	-
240 (pr yr 0) CCPS of ₹ 10/- each		
Meliorism Switchism Pvt Ltd	10.07	-
129 (pr yr 0) CCPS of ₹ 10/- each		
Mothersense Technologies Pvt Ltd	2.14	-
1 (pr yr 0) CCPS of ₹ 10/- each		
Ncome Tech Solutions Pvt Ltd	5.09	-
42 (pr yr 0) CCPS of ₹ 10/- each		
Pinbox Inclusion Pvt Ltd	5.85	-
11 (pr yr 0) CCPS of ₹ 10/- each		
Prescinto Technologies Pvt Ltd	5.99	-
257 (pr yr 0) CCPS of ₹ 10/- each		
Qzense Labs Pvt Ltd	2.31	-
17 (pr yr 0) CCPS of ₹ 10/- each		
Sampatra Technologies Pvt Ltd	7.61	-
750 (pr yr 0) CCPS of ₹ 10/- each		
Seygnux Solutions Pvt Ltd	5.59	-
39 (pr yr 0) CCPS of ₹ 10/- each		
Shrikar Datakund Pvt Ltd	7.52	-
52 (pr yr 0) CCPS of ₹ 10/- each		
SPV Laboratories Pvt Ltd	7.03	-
7400 (pr yr 0) CCPS of ₹ 10/- each		
Tecso Charge Zone Private Limited	4.60	-
2191 (pr yr 0) CCPS of ₹ 10/- each		
Wizzy Softech Pvt Ltd	11.10	-
97 (pr yr 0) CCPS of ₹ 10/- each		
CCD (at amortised cost)		
My Aashiana Management Services P Ltd	5.00	5.00
3,745 (Pr. Yr. 3745) Compulsorily Convertible Debentures of ₹ 133.51/- each fully paid up		
Positive Food Ventures Pvt Ltd	2.38	2.38
1697 (Pr. Yr.1697) CCD of ₹ 10/- each fully paid up		
Gozing Technology Pvt Ltd - CCD	2.10	-
35 (Pr. Yr.0) CCD of ₹ 10/- each fully paid up		
In others (at amortised cost)		
OTHERS		
Venture Capital Funds	80.34	80.32
India Quotient Fund II		
100 (pr.yr.95) Class A units of ₹ 1,00,000/- each		
Artha Venture Fund-1	51.43	33.03
50460 (pr.yr. 32100) Units of ₹ 100/- each		

Notes to Consolidated Financial Statements

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
LV Angel Fund	11.36	11.36
11 (pr.yr.11) Units of Face Value ₹ 1,00,000/- each		
9 Unicorns Accelerator Fund - I	70.00	30.00
70000 (pr.yr 30000) Units of ₹ 100/- each		
Blinc Fund II	20.00	-
200 (pr.yr 0) Units of ₹ 100/- each		
Z Nation Lab Growth Fund	161.93	-
1582 (pr.yr 0) Units of ₹ 100/- each		
Rubis Capital Advisors LLP	5.12	5.12
3.13% Share		
Laminar Global Fund	27.37	-
30000 (Pr Yr 0) Units of USD 1.00 each		
Quoted:		
Equity Instrument (at fair value through other comprehensive income) :-		
Tirupati Sarjan Limited	27.23	25.84
375000 (Pr yr 375000) Shares of ₹ 10/- each		
	996.63	623.24
(a) Total investments	996.63	623.24
(b) Aggregate of unquoted investments	968.90	597.40
(c) Aggregate of quoted investments	74.96	74.96
(d) Aggregate provision for diminution in value-quoted	47.73	49.12
(e) Market value of quoted investment	27.23	25.84

NOTE 5: LOANS

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(Unsecured, considered good)				
(a) Loan considered good - secured	-	-	-	-
(b) Loan considered good - unsecured	5,084.18	497.36	4,231.29	495.67
(c) Loans which have significant increase in Credit Risk	-	-	-	-
(d) Loans - Credit impaired	-	-	-	-
	5,084.18	497.36	4,231.29	495.67
Less: Allowance for doubtful debts	-	-	-	-
Total	5,084.18	497.36	4,231.29	495.67
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	NIL	NIL	NIL	NIL

Notes to Consolidated Financial Statements

NOTE 6: OTHER FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non -current	Current	Non -current
Other Financial Assets				
- Deposit *	173.07	-	-	120.74
- Interest accrued on loan, deposit etc.	0.84	2.36	-	-
- Other Receivables	-	121.06	42.85	29.04
Total	173.91	123.42	42.85	149.78

*under lien with UCO Bank against bank guarantee and includes Interest accrued ₹ 2.88 lakhs (₹ 2.79 lakhs)

NOTE 7: OTHER ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non -current	Current	Non -current
Capital Advances	-	146.90	-	0.65
Advances other than capital advances				
Security Deposit				
- With Statutory Authorities	-	0.92	-	0.92
- Others	-	0.32	-	-
Other advances				
- advance against expenses	4,452.94	158.47	3,930.39	4.14
- Statutory authorities employees, pre-paid expenses etc.	428.18	13.29	377.03	19.29
Other receivables	1,292.10	98.52	2,525.24	75.33
Asset held for sale	-	-	-	24.88
Total	6,173.22	418.42	6,832.66	125.21

NOTE 8: INVENTORIES

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
At lower of cost and net realisable value				
(a) Raw materials		3,100.22		2,201.19
(b) Work-in-progress		1,315.84		1,235.15
(c) Finished goods		1,011.70		536.66
(d) Stores and spares		96.58		27.00
(e) Printing Ink		14.45		3.20
(e) Wastage		1.20		0.32
(f) Traded Goods		-		0.71
Total		5,539.99		4,004.23

Notes to Consolidated Financial Statements

NOTE 9: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade Receivables considered good - secured	-	-
(b) Trade Receivables considered good - unsecured	8,085.99	5,350.10
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - Credit impaired	-	-
	8,085.99	5,350.10
Less: Allowance for doubtful debts	-	-
Total	8,085.99	5,350.10

Trade receivables ageing schedule as at March 31, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	7,791.02	44.05	72.86	39.46	123.20	8,070.59
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	15.40	-	15.40
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Total	7,791.02	44.05	72.86	54.86	123.20	8,085.99

Trade receivables ageing schedule as at March 31, 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	4,975.78	45.19	170.70	113.82	20.44	5,325.93
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	24.17	-	24.17
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Total	4,975.78	45.19	170.70	137.99	20.44	5,350.10

Notes to Consolidated Financial Statements

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
a) Balances with banks				
i) in current accounts		1059.34		579.83
ii) Cheques on hand		-		-
iii) in fixed deposit account with original maturity upto 3 months		275.00		390.61
		1,334.34		970.44
b) Cash on hand		6.99		4.69
Total		1,341.33		975.13

NOTE 11: OTHER BANK BALANCES

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Bank deposits with original maturity for more than 3 months but not more than 12 months (including accrued interest thereon) with Bank *		73.57		64.15
Total		73.57		64.15

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

The fixed deposits include deposits under lien against bank guarantees ₹ 56.22 Lakhs (₹55.73 Lakhs) include interest ₹ 3.22 lakhs (₹0.63 lakhs).

NOTE 12: CURRENT TAX ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Income tax Refund		3.49		6.17
Total		3.49		6.17

NOTE 13: SHARE CAPITAL

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 2/- each	11,50,00,000	2,300.00	11,50,00,000	2,300.00
	11,50,00,000	2,300.00	11,50,00,000	2,300.00
Issued				
Equity Shares of ₹ 2/- each fully paid up	11,30,85,000	2,261.70	11,30,85,000	2,261.70
Total	11,30,85,000	2,261.70	11,30,85,000	2,261.70

Note: 13.01 Reconciliation for No. of shares outstanding during the year

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	11,30,85,000	2,261.70	11,30,85,000	2,261.70
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11,30,85,000	2,261.70	11,30,85,000	2,261.70

Notes to Consolidated Financial Statements

Note : 13.02 Details of shareholders holding more than 5%

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Sat Invest Private Limited	5,08,35,000	44.95%	5,08,35,000	44.95%
2. DA Tradetech Private Limited (formerly known as "Dawood Investment Private Limited")	72,09,321	6.38%	72,09,321	6.38%
3. Space Age Polymers LLP	66,19,455	5.85%	66,19,455	5.85%
4. A Flex Invest Private Limited	75,00,000	6.63%	75,00,000	6.63%

13.03: The Company has only one class of shares referred to as the equity shares having face value of ₹ 2/- 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.

13.04: There are no calls unpaid on equity shares.

13.05: No Equity shares have been forfeited.

13.06: No shares have been reserved for issue under options etc. :

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

Shares held by promoters at the end of the year	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
M/s. Sat Invest Pvt Ltd	5,08,35,000	44.95	NIL	5,08,35,000	44.95	NIL
M/s. A Flex Invest Pvt Ltd	75,00,000	6.63	NIL	75,00,000	6.63	NIL
Total	5,83,35,000	51.58	-	5,83,35,000	51.58	-

NOTE 14: OTHER EQUITY

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. SECURITIES PREMIUM		
As per the last year accounts	8,000.75	8,000.75
Add: Addition during the year	-	-
	8,000.75	8,000.75
2. CAPITAL RESERVE		
As per the last year accounts	2,584.29	2,584.29
Add: On consolidation of subsidiary	-	-
Less : Deduction during the year	-	-
	2,584.29	2,584.29
3. GENERAL RESERVE		
As per the last year accounts	127.04	127.04
	127.04	127.04
4. RETAINED EARNINGS		
As per the last year accounts	3,100.64	2,227.42
Add: Surplus for the year	3,554.38	877.13
Dividend	(113.09)	-
Less : Transfer to Statutory Reserve	-	(3.91)
	6,541.93	3,100.64

Notes to Consolidated Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
5. Foreign Currency Translation Reserve		
As per the last year accounts	770.15	843.98
Add : Addition during the year	103.95	(73.83)
	874.10	770.15
6. Equity Instruments through Other Comprehensive Income:		
As per the last year accounts	(49.12)	(59.39)
Add : Addition during the year	1.39	10.27
	(47.73)	(49.12)
7. Statutory Reserve		
As per the last year accounts	6.48	2.57
Add : Addition during the year	-	3.91
	6.48	6.48
8. Capital issue Expenses		
As per the last year accounts	-	-
Add : Addition/(deduction) during the year	(54.18)	-
	(54.18)	-
Equity attributable to the owners of the parent	18,032.68	14,540.23
Non-controlling interest	874.12	314.90
TOTAL	18,906.80	14,855.13

Nature and purpose of reserves

1) Securities 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 Companies Act, 2013.

2) General Reserve

General Reserve: This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

3) Capital Reserve

Capital Reserve represents the amount forfeited on not exercising the option attached to the conversion of warrants into equity shares within a scheduled time and also includes amount arising on consolidation of subsidiary company.

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.

5) Equity Instruments through Other Comprehensive Income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

6) Statutory Reserve

Statutory Reserve created pursuant to section 45IC of the Reserve Bank of India Act, 1934, being 20% of the profit of the non-banking finance company and can be utilised as provided in the said Act.

Notes to Consolidated Financial Statements

NOTE 15: BORROWINGS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Secured				
From Bank				
UCO Bank - Term Loan ₹ 50 Lakh (a)	3.59	-	47.53	3.61
UCO Bank - Term Loan ₹ 114 Lakh (b)	37.46	46.52	27.94	86.06
UCO Bank - Term Loan ₹ 84.67 Lakh (c)	-	84.67	-	-
Kotak Mahindra Bank (d)	14.83	28.08	-	-
Yes Bank (e)	11.06	0.86	10.20	13.75
ICICI Bank Limited (f)	3.25	-	7.74	3.25
Kotak Mahindra Bank - FCTL (g)	1,126.52	1,486.55	945.96	2,671.25
Kotak Mahindra Bank - Working capital Rupee term loan under ECLGS (h)	-	-	22.24	856.75
Indusind Bank - EPC (i)	10.44	-	-	-
Indusind Bank - EIGCS (j)	11.24	14.04	-	-
Others				
From Kotak Mahinda Prime Ltd (k & l)	281.17	584.71	7.99	10.28
	1,499.56	2,245.43	1,069.60	3,644.95
	1,499.56	-	1,069.60	-

- (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. The loan is repayable in 18 equal monthly instalments of ₹ 4,11,750.00 each commencing from December 08, 2020 and the last instalment is repayable on May 07, 2022. Rate of interest as on March 31, 2020 is 7.30 % per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director (Sah Polymers Limited).
- (b) 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. Rate of interest as on March 31, 2021 is 7.50% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director (Sah Polymers Limited).
- (c) 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 ₹ 2,63,376.35 each commencing from December 15, 2023 and the last instalment is repayable on December 15, 2026 Rate of interest as on March 31, 2020 is 7.50% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Managing Director (Sah Polymers Limited).
- (d) Secured against hypothecation of Motor Car and Bus.
- (e) Term loan from Yes Bank is secured against hypothecation of Car no. MH01 DB 1251. The loan is repayable in 60 equated monthly instalments of ₹ 1,12,822/- each commencing from March 09, 2018 and the last instalment is repayable on March 02, 2023 There is no continuing default in the repayment of instalment and interest thereon. Rate of interest as on March 31, 2020 is 8.10% per annum.
- (f) Term loan from ICICI Bank Limited is secured against hypothecation of Car no. MH-01-CD-0522. The loan is repayable in 84 equal monthly instalments of ₹ 70,800.00 each commencing from October 10, 2015 and the last instalment is repayable on August 10, 2022 There is no continuing default in the repayment of instalment and interest thereon. The rate of interest as on March 31, 2020 is 10.00% p.a. with monthly rests.

Notes to Consolidated Financial Statements

- (g & h) Secured against mortgage of Land & Building, Plant & Machinery & hypothecation of Inventory and Trade Receivables & other movable & immovable Assets of Aeroflex Industries Limited situated at Taloja, Navi Mumbai. Guaranteed by Mr. Yusuf M Kagzi, Mr. Daud Ali and also corporate guarantee of Sat Industries Limited. Loan is repayable in 52 instalments commencing from December 31, 2018 and the last instalment is payable on March 31, 2023. The rate of interest as on March 31, 2021 is LIBOR +13.50% p.a. There is no continuing default in repayment of principal and interest.
- (i) Borrowings from Indusind Bank is secured against first charge over all present and future, current assets and movable fixed assets of the Company situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003. The loan is repayable in 36 equal monthly instalments of Euro 1380.04 each commencing from December 27, 2019 and the last instalment is repayable on December 22, 2022. Rate of interest as on March 31, 2022 is 8.25 % per annum. It is also secured by personal guarantee of directors Mr. Murtaza Ali Moti and Mrs. Fatima Moti. Euro 12420.45 payable @ exchange rate of ₹ 84.062 as on March 31, 2022 (Pr. yr. Euro 28980.93 @ exchange rate of ₹ 86.099)
- (j) Borrowings from Indusind Bank is secured against second charge over all present and future, current assets and movable fixed assets of the Company situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003. The loan is repayable in 35 monthly instalments as per EMI schedule commencing from July 31, 2021 and the last instalment is repayable on June 30, 2024. Rate of interest as on March 31, 2022 is 9.25% per annum. It is also secured by personal guarantee of directors Mr. Murtaza Ali Moti and Mrs. Fatima Moti.
- (k) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 CT 6227. The loan is repayable in 60 equal monthly instalments of ₹ 22,941/- each commencing from December 16, 2017 and the last instalment is repayable on November 01, 2022. There is no continuing default in the repayment of instalment and interest thereon. Rate of interest as on March 31, 2021 is 8.35% per annum.
- (l) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 DK 9693. The loan is repayable in 36 equal monthly instalments of ₹ 63,185/- each commencing from March 05, 2020 and the last instalment is repayable on February 05, 2023.

There is no continuing default in repayment of installment and interest thereon.

NOTE 16: DEFERRED TAX LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	184.07	(37.45)
(+) Opening Balance of subsidiaries	-	-
(+) Current year deferred tax liabilities	110.97	221.25
(-) Current deferred tax assets for leave encashment	0.66	(0.27)
(-) Deferred Tax Asset created on losses now reversed	6.91	-
Total	287.47	184.07

NOTE 17: OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other liabilities	-	0.90
Total	-	0.90

Notes to Consolidated Financial Statements

NOTE 18: CURRENT BORROWINGS

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Current	Current
Secured		
Current maturity of Long term debt	1,499.56	1,069.60
for security etc. refer to note 15		
From Bank		
Repayable on demand		
UCO Bank OD (a)	7.58	-
UCO Bank Cash Credit (b)	681.98	690.54
Indusind Bank (c)	31.75	-
Indusind Bank - FCTL (EPC) (d)	105.42	-
Dutsche Bank OD (e)	94.70	-
Unsecured		
From Bank		
Dutsche Bank PCFC (f)	158.52	-
ICICI Bank (g)	270.33	251.81
Others		
Tata Capital Finance Services Limited (h)	290.61	271.74
Others (i)	3,681.69	1,324.45
Total	6,822.14	3,608.14

- (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 (Sah Polymers Limited). Rate of interest as on March 31, 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, 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 guarantee of Mr. Asad Daud, Managing Director (Sah Polymers Limited). Rate of interest as on March 31, 2021 is 9.50% per annum.
- (c) Borrowings from Indusind Bank is secured against stock of raw material, WIP & finished goods held for export by Fibcorp Polyweave Private Limited situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003 and guaranteed by Mr. Murtaza Ali Moti and Mrs. Fatima Moti. Rate of interest as on March 31, 2022 is 8.25% P.a.
- (d) Borrowings from Indusind Bank is secured against stock of raw material, WIP & finished goods held for export by Fibcorp Polyweave Private Limited situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003 and guaranteed by Mr. Murtaza Ali Moti and Mrs. Fatima Moti. Rate of interest as on March 31, 2022 is 8.25% P.a.
- (e) Guaranteed by Mr. Asad Daud, Managing Director (Sah Polymers Limited) and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director (Sah Polymers Limited). Rate of interest as on March 31, 2022 is 9.95% per annum.
- (f) Guaranteed by Mr. Asad Daud and Mr. Hakim Sadiq Ali Tidiwala, directors of (Sah Polymers Limited). Rate of interest as on March 31, 2022 is LIBOR+350 bps.
- (g) Guaranteed by Mr. Asad Daud and Mr. Hakim Sadiq Ali Tidiwala, directors of (Sah Polymers Limited). Rate of interest as on March 31, 2022 is 9.30% per annum.
- (h) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, directors of (Sah Polymers Limited). Rate of interest as on March 31, 2022 is 11.00% per annum.
- (i) These borrowings are interest free and repayable on demand.

There is no continuing default on repayment of interest.

Notes to Consolidated Financial Statements

NOTE 19: TRADE PAYABLES - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	8.66	55.49
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,729.37	4,445.41
Total	4,738.03	4,500.90

Trade payables ageing schedule as at March 31, 2022

(₹ in lakhs)

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 - Micro & small enterprises	8.66	-	-	-	-	8.66
(ii) Undisputed Others	4,724.77	1.12	2.80	0.68	-	4,729.37
(iii) Disputed dues - Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	4,733.43	1.12	2.80	0.68	-	4,738.03

Trade payables ageing schedule as at March 31, 2021

(₹ in lakhs)

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 - Micro & small enterprises	-	55.49	-	-	-	55.49
(ii) Undisputed Others	4,400.68	39.97	0.22	0.55	3.99	4,445.41
(iii) Disputed dues - Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	4,400.68	95.46	0.22	0.55	3.99	4,500.90

NOTE 20: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	94.58	84.15
Advance received from customers	953.92	937.95
Other payable	650.72	298.23
Total	1,699.22	1,320.33

NOTE 21: PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Provision for Gratuity	0.50	4.32
b. Leave encashment	32.25	0.50
Total	32.75	4.82

Notes to Consolidated Financial Statements

NOTE 22: CURRENT TAX LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax (Net of advance tax)	897.28	28.75
Total	897.28	28.75

NOTE 23: REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Manufactured Goods	30,848.33	19,228.37
(b) Traded Goods :	2,171.68	154.46
(c) Sale of services:		
I) Job work	64.25	129.23
II) Commission - DCA	76.27	75.85
III) Lease Rent	168.46	221.09
IV) Market Research Services	90.24	-
(d) Interest Income (Business)	343.15	110.83
(e) Other Operating Income		
I) Export Incentive	-	48.92
II) RIPS Subsidy	415.32	215.71
III) Misc Income	495.31	291.24
Total	34,673.01	20,475.70

NOTE 24: OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Miscellaneous Income	85.79	10.20
Profit on sales of Fixed assets	240.82	-
Profit on sales of Investment	148.60	23.76
TOTAL	475.21	33.96

NOTE 25: COST OF MATERIALS CONSUMED

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock	2,201.19	1,967.29
Add: on subsidiary acquisition	322.32	-
Add: Purchases and adjustments	21,849.12	12,802.56
	24,372.63	14,769.85
Less: Closing Stock	3,100.22	2,201.19
	21,272.41	12,568.66

Notes to Consolidated Financial Statements

NOTE 26: PURCHASE OF STOCK IN TRADE

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases - Traded Goods	2,036.26	817.40
Total	2,036.26	817.40

NOTE 27: CHANGE IN INVENTORIES

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock :		
Finished Goods	536.98	81.08
Add:- Subsidiary acquisition	209.00	-
	745.98	81.08
Work-in-progress	1,235.15	1,655.05
Traded Goods	0.70	-
	1,981.83	1,736.13
Less : Closing Stock		
Finished Goods	1,012.90	536.98
Work-in-progress	1,315.84	1,235.15
Traded Goods	1.09	0.70
	2,329.83	1,772.83
(Increase)/decrease in inventories	(348.00)	(36.70)

NOTE 28: EMPLOYEE BENEFITS

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Salaries, wages and bonus	1,936.30	1,471.21
(ii) Contribution to provident and other funds	84.37	66.25
(iii) Staff welfare expenses	155.28	89.94
(iv) Gratuity Fund contributions	15.57	8.06
TOTAL	2,191.52	1,635.46

NOTE 29: FINANCE COST

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest expense		
(i) Interest on borrowings	712.70	612.22
(ii) Interest on delayed payment of taxes	6.81	20.15
(iii) Foreign Exchange Fluctuation of PCFC	-	163.39
(b) Other borrowing costs - Bank/Processing Charges	17.23	52.00
TOTAL	736.74	847.76

Notes to Consolidated Financial Statements

NOTE 30: OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	45.91	92.79
Electric & Power	315.91	293.59
Processing Labour Charges	34.23	32.94
Fuel & Lubricant	292.61	210.96
Fabric Weaving Expenses	90.06	95.74
Bag Stitching Expenses	121.70	107.50
Bag Printing Expenses	22.97	20.91
Job Charges	63.21	-
Printing Ink	36.10	45.69
Repairs & Maintenance - Plant & Machinery and others	584.26	445.30
Packing Materials	12.91	14.83
Carriage Outward	114.69	119.81
Export Freight, Insurance & other Expenses	785.88	374.39
Rebate, Claim & Discounts	9.58	0.55
Shorting and Counting charges	19.15	17.59
Commission on sales	41.39	62.21
Loss on sales of assets	-	4.02
Insurance Charges	68.27	44.42
Legal & Professional Exp.	14.76	82.67
Payment to Auditors		
(i) as Audit Fee	5.18	3.84
(ii) for taxation matters	0.22	0.05
(iii) Certification Fees	0.03	0.01
Bank Commission	54.68	51.12
Sundry balances written off	30.14	180.03
Delivery Charges	-	19.50
Consultancy Charges	11.81	2.68
Conveyance & Travelling Expenses	60.05	78.11
Miscellaneous Expenses	815.82	507.74
TOTAL	3,651.52	2,908.99

NOTE 31: ADDITIONAL INFORMATION :

(₹ in lakhs)

Depreciation and amortization expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Depreciation on Property, Plant and Equipment	567.93	513.46
(ii) Amortisation of Intangible Assets	13.12	10.01
Total	581.05	523.47

Notes to Consolidated Financial Statements

NOTE 32: (ii) EARNINGS PER SHARE

(₹ in lakhs)

Earning per share has been computed as under	2021-2022	2020-2021
(a) Profit for the year	3,870.65	943.66
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	11,30,85,000	11,11,48,520
(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 [(b) + (c)]	11,30,85,000	11,11,48,520
(e) Earnings per share on profit for the year (Face Value ₹ 2.00 per share) -		
- Basic (a/b) (in ₹)	3.42	0.85
- Diluted (a/d) (in ₹)	3.42	0.85

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS :

(a) Contingent liabilities:

Claims against the Group not acknowledged as debts : Income tax ₹ 1.61 lakhs Net of deposit (2021 - ₹ 1.61 lakhs)

(b) Commitments

(₹ in lakhs)

Earning per share has been computed as under	2021-2022	2020-2021
• Estimated amount of contracts remaining to be executed on capital accounts and not provided for	779.42	68.93

(₹ in lakhs)

GUARANTEES	March 31, 2022	March 31, 2021
(c) GUARANTEES GIVEN ON BEHALF OF SUBSIDIARY		
i) Guarantee given by the holding Company to Kotak Mahindra Bank Limited, Mumbai to secure loan provided to Aeroflex Industries Limited and to ICICI Bank to secure facilities given to Sah Polymers Limited (subsidiary)	9,160.00	5,800.00
(d) Guarantees issued by banks secured by bank deposits under lien with the bank ₹ 50.63 Lakhs	500.00	500.00

NOTE 34: THE COMPANIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENT ARE:

Name	Country of incorporation	% of ownership interest as at March 31, 2022	% of ownership interest as at March 31, 2021
Subsidiaries :			
Sah Polymers Limited	India	91.79	91.79
Italica Furniture Private Limited	India	100.00	100.00
Aeroflex Industries Limited	India	98.70	98.70
Aeroflex Finance Private Limited	India	100.00	100.00
Aeroflex International Limited	India	100.00	100.00
Italica Global FZC, UAE	UAE	100.00	100.00

Notes to Consolidated Financial Statements

NOTE 35: FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

A. Capital Management

The Group'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.

B. Categories of financial Instruments and fair value :

Carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalent	1,341.33	1,341.33	975.13	975.13
ii) Other Bank balance	73.57	73.57	64.15	64.15
iii) Loans	5,084.18	5,084.18	4,231.29	4,231.29
iv) Debenture	9.48	9.48	7.38	7.38
v) Funds etc.	395.06	395.06	154.71	154.71
vi) Trade receivables	8,085.99	8,085.99	4,231.29	4,231.29
vii) Other financial assets	173.91	173.91	42.85	42.85
Sub Total	15163.52	15163.52	9706.80	9706.80
b) Measured at fair value				
through OCI				
i) Equity Instrument - unquoted	532.37	532.37	430.19	430.19
ii) Equity Instruments - quoted	27.23	27.23	25.84	25.84
Sub Total	559.60	559.60	456.03	456.03
Total Financial assets	15723.12	15723.12	10162.83	10162.83
B Financial Liabilities				
a) Measured at amortised cost				
i) Borrowings	9,067.57	9,067.57	7,253.09	7,253.09
ii) Trade payables	4,738.03	4,738.03	4,500.90	4,500.90
iii) Other financial liabilities	-	-	-	-
Total financial liabilities	13805.60	13805.60	11753.99	11753.99

Level 1: Quoted price (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices)

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

C: Financial Risk Management

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Notes to Consolidated Financial Statements

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

1. 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 instruments. The Company 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 Group does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments. Investments are largely in subsidiaries and associates and are on long term basis.

(ii) Management of price risk:

The Group invests its surplus funds in deposits with banks on short term tenors on fixed interest rate and the same is not exposed to any price risk. This risk is mitigated by the Group by investing the funds in various tenors depending on the liquidity needs of the Group.

(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 Group has foreign currency trade receivables, trade payables and borrowings and is therefore exposed to foreign exchange risk. The Group 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 Group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (The Company has exposure in USD/EURO/GBP converted to functional currency i.e. ₹)

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

(₹ in lakhs)			
Exposure currency	As at March 31, 2022	As at March 31, 2021	
Financial assets (A)			
(i) Trade receivables	USD	543.70	449.20
	EURO	42.68	203.78
	GBP	30.94	8.88
Total (i)		617.32	661.86
(ii) Advance to Suppliers	USD	-	0.53
Total (ii)		-	0.53
Total (i+ii)		617.32	662.39
Financial Liabilities (B)			
(i) Trade payable	USD	-	31.64
	EURO	-	8.60
Total (i)		-	40.24
(ii) Capital goods	USD	-	1.10
	EURO	-	-
Total (ii)		-	1.10
(iii) Advance - Customers	USD	-	3.89
	EURO	-	0.56
Total (iii)		-	4.45
Total (i to iii)		-	45.79
Net Exposure (A-B)		617.32	616.60

Notes to Consolidated Financial Statements

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO/GBP at March 31 would have affected the measurement of financial instruments denominated in USD/EURO/GBP 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	Strengthening	Weakening
Profit/(Loss)	March 31, 2022	(30.87)	30.87
Profit/(Loss)	March 31, 2021	(30.83)	30.83

₹ in Lakhs

B. Management of Credit Risk:

Credit risk refers to the risk of default on its obligations by a counterparty to the Group resulting in a financial loss to the Company. The Group is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in deposits with banks.

Credit risk from trade receivables and loans is managed through the Group'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 Group has no concentration of credit risk as the customer base is widely distributed.

The Group's customer base is large enough and does not have risk of credit concentration. Further, credit is extended in business interest.

C. Management of liquidity risk:

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

The Group's Current assets aggregate to ₹ 20,935.69 lakhs (2021 - ₹ 17,609.28 lakhs) including Cash and cash equivalents and Other bank balances of ₹ 1,341.33 lakhs (2021 - ₹ 1039.28) lakhs) against an aggregate Current liability of ₹ 14189.42 lakhs (2021 - ₹ 10,319.69 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 2532.90 lakhs (2021 - ₹ 29,73.17 lakhs) and Non-current liability due after three years amounting to ₹ 2,532.90 lakhs (2021 - ₹ 2,973.17) on the reporting date. Further, while the Company's total equity stands at ₹ 21,168.50 lakhs (2020 - ₹ 17,116.83 lakhs), it has borrowings of ₹ 9,067.57 lakhs (2021 - ₹ 7,253.09 ₹ lakhs). 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.

NOTE 36: DISCLOSURES IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 21

(i) Key Managerial Persons

- 01) Mrs. Shehnaz D Ali, Wholetime Director
- 02) Mr. Harikant Turgalia, Wholetime Director and Chief Financial Officer
- 03) Ms. Alka Premkumar Gupta, Company Secretary

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	2021-22	2020-21	Nature of transaction
Mr. Harikant Turgalia	Wholetime Director	14.99	15.12	Salary
Mrs. Shehnaz D. Ali	Wholetime Director	15.20	13.46	Salary
Sat Invest Pvt. Ltd.	Promoter Company & Major Shareholder	0.02	-	Fees paid on behalf

Notes to Consolidated Financial Statements

Closing balances

(₹ in lakhs)		
Name	March 31, 2022	March 31, 2021
Mrs. Shehnaz D. Ali	1.27	1.16
Mr. Harikant Turgalia	1.07	1.16
Sat Invest Private Limited	-	-

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

NOTE 37:

The Group 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.

During the year, the Group has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ NIL (March 31, 2021 - ₹ 0.51 lakhs). The Group is reasonably not certain availing the said MAT Credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

Tax Credits carried forward	As at March 31, 2022	Expiry date	As at March 31, 2021	Expiry date
2009-10	0.08	31.03.2025	-	-
2010-11	1.18	31.03.2026	-	-
2011-12	0.42	31.03.2027	-	-
2012-13	-	31.03.2028	0.76	31.03.2028
2013-14	-	31.03.2029	6.00	31.03.2029
2014-15	-	31.03.2030	4.72	31.03.2030
2015-16	7.62	31.03.2031	6.77	31.03.2031
2016-17	44.04	31.03.2032	44.03	31.03.2032
2017-18	113.12	31.03.2033	118.53	31.03.2033
2018-19	1.74	31.03.2034	14.54	31.03.2034
2019-20	17.28	31.03.2035	18.44	31.03.2035
2020-21	0.51	31.03.2036	-	31.03.2036

NOTE 38: 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 Group 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 Group'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.

Notes to Consolidated Financial Statements

Provident Fund:

The Group 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 Family Pension Fund amounting to ₹ 12.39 Lakhs (previous year - ₹ 10.62 Lakhs) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 3.76 Lakhs (previous year - ₹ 5.30 Lakhs).

NOTE 39:

There are no Micro, Small and Medium Enterprises, to whom the Group 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 Group.

(₹ in lakhs)		
Information relating to the Micro, Small and Medium Enterprises	As at March 31, 2022	As at March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	8.66	55.49
(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;	NIL	NIL
(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;	NIL	NIL
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(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.	NIL	NIL

NOTE 40:

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

Notes to Consolidated Financial Statements

NOTE 41: EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities - ₹ 0 lakhs (2021 - ₹ 7.50 Lakh)

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(1) Gross amount required to be spent by the Group during the year	-	7.50
(2) Amount spent during the year on:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	7.50

NOTE 42: AS PER IND AS 108 "OPERATING SEGMENT", THE SEGMENTS DETAILS (AFTER ELIMINATION OF INTRA GROUP TRANSACTIONS) ARE AS UNDER

(₹ in lakhs)

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Segment Revenue		
(a) Trading	2,047.02	154.46
(b) Manufacturing :		
(i) Flexible Packing	8,101.09	5,526.28
(ii) Stainless Steel Hose	24,125.97	14,477.38
(c) Finance & Investment	398.93	317.58
Total	34,673.01	20475.70
Other Income	475.21	33.96
Total Revenue	35,148.22	20509.66
Segment results		
(a) Trading	529.59	97.78
(b) Manufacturing :		
(i) Flexible Packing	546.50	160.87
(ii) Stainless Steel Hose	3,804.13	1,094.25
(c) Finance & Investment	(328.71)	(122.94)
Total Segment Results	4,551.51	1,229.96
Other Income	475.21	33.96
Exceptional Income	-	-
Profit before tax	5,026.72	1,263.92
Provision for tax		
Income tax	1,050.40	77.95
Deferred Tax	105.67	221.52
Profit after tax	3,870.65	964.45
Segment Assets		
(a) Trading	3,594.80	95.55
(b) Manufacturing :		
(i) Flexible Packing	6,869.64	4,057.85
(ii) Stainless Steel Hose	18,313.97	16,067.16
(c) Finance & Investment	9,112.42	10,189.13
Total	37,890.83	30,409.69

Notes to Consolidated Financial Statements

(₹ in lakhs)

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Segment Liabilities		
(a) Trading	468.74	28.57
(b) Manufacturing :		
(i) Flexible Packing	3,424.83	2,049.11
(ii) Stainless Steel Hose	9,721.48	9,587.61
(c) Finance & Investment	3,107.28	1,621.57
Total	16,722.33	13,292.86
Capital Employed	21,168.50	17,116.83
Capital Expenditure		
(a) Trading	6.13	0.34
(b) Manufacturing :		
(i) Flexible Packing	152.94	235.22
(ii) Stainless Steel Hose	703.54	264.75
(c) Finance & Investment	7.10	-
Total	869.71	500.31
Depreciation and amortization		
(a) Trading	14.22	13.51
(b) Manufacturing :		
(i) Flexible Packing	100.65	80.56
(ii) Stainless Steel Hose	418.43	377.80
(c) Finance & Investment	47.75	51.60
Total	581.05	523.47

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
GEOGRAPHICAL INFORMATION		
Non Current Assets – Within India	1,14,15.14	8,903.11
– Outside India	-	-
1. Revenue from external customers – Within India	11,621.62	6306.25
– Outside India	23,526.60	14,203.41

NOTE 43:

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on March 31, 2022 are subject to confirmation and reconciliation.

NOTE 44:

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 45:

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

NOTE 46:

The financial statements were authorised for issue by the Board of Directors on May 30, 2022.

Notes to Consolidated Financial Statements

NOTE 47:

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, unless otherwise stated.

NOTE 48:

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.

NOTE 49:

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements. The figures of the previous year are not comparable with the current year's figures due to acquisition of and change in shareholding of the subsidiary companies.

NOTE 50:

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Not later than one year	167.34	208.74
Later than one year and not later than five years	-	-
Later than five years	-	-

NOTE 51:

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 52:

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

NOTE 53:

The Group 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 54:

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

NOTE 55:

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

NOTE 56:

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

NOTE 57:

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

NOTE 58:

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

Notes to Consolidated Financial Statements

NOTE 59:

Utilisation of Borrowed funds and share premium :

- (a) The Group 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 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 Group 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 60:

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

NOTE 61:

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

NOTE 62:

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

NOTE 63:

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

NOTE 64:

- (a) The Board of Directors of the parent at its meeting held on May 30, 2022 has recommended a final dividend of ₹ 0.15 per equity share aggregating to ₹ 169.63 lakhs, subject to the approval of the shareholders in respect of year ended March 31, 2022.
- (b) As approved by the shareholders of the Parent Company a dividend of ₹ 0.10 per equity share aggregating to ₹ 113.09 lakhs in respect of year ended March 31, 2021 has been paid during the year.”

NOTE 65:

Additional information, as required under schedule III to the Companies Act,2013, of enterprises controlled as subsidiary and associate (after elimination)

Name of the enterprises	Net assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ In lakhs)	As % of consolidated profit and loss	Amount (₹ In lakhs)	As % of consolidated Other comprehensive income	Amount (₹ In lakhs)	As % of consolidated total Comprehensive income	Amount (₹ In lakhs)
Parent								
Sat Industries Limited	22.28	4542.79	7.58	293.21	1.32	1.39	7.41	294.60
Subsidiary								
Indian								
Sah Polymers Limited	11.56	2357.01	11.78	455.92	-	-	11.47	455.92
Italica Furniture Private Limited	8.36	1705.24	1.53	59.38	-	-	1.49	59.38

Notes to Consolidated Financial Statements

Name of the enterprises	Net assets (i.e. total assets minus total liabilities)		Share in Profit/Loss account		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ In lakhs)	As % of consolidated profit and loss	Amount (₹ In lakhs)	As % of consolidated Other comprehensive income	Amount (₹ In lakhs)	As % of consolidated total Comprehensive income	Amount (₹ In lakhs)
Aeroflex Industries Limited	42.14	8592.49	74.49	2883.09	-	-	72.51	2,883.09
Aeroflex Finance Private Limited	1.33	270.94	0.48	18.59	-	-	0.47	18.59
Aeroflex International Limited	0.38	76.81	(0.01)	(0.32)	-	-	(0.01)	(0.32)
Foreign								-
Italica Global FZC	13.95	2843.6	4.16	160.84	98.68	103.95	6.66	264.79
Total	100.00	20388.88	100.00	3870.71	100.00	105.34	100.00	3976.05

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVUEM7055

Mumbai, May 30, 2022

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholetime Director
DIN: 00185452

HARIKANT TURGALIA
Wholetime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Independent Auditor's Report

Report on the Audit of the Standalone Financial Statements

To the Members of Sat Industries Limited

Opinion

We have audited the standalone financial statements of Sat Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 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 Integrated Report, 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.

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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the Company and the audit, we determine that there are no key Audit matters to communicate.

Management's Responsibility for the 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.

The Board of Directors is 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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, 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 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, 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 the requirements of section 197(16) of the Act, as amended:

Independent Auditor's Report continued

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.

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (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 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
- (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) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Place of signature: Mumbai
Date: May 30, 2022

Annexure - A

to the Independent Auditor's Report (Referred to in paragraph 8 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 of 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 Company has no immovable properties.
- (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 the Management is appropriate. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies notice 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 not 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 accordingly, the question of our commenting on whether the quarterly returns or statements
- filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company does not arise.
- (iii) During the year the Company has made investments in, provided guarantee and granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not provided security to any other entity,
- (a) During the year the Company has provided loans or provided advances in loans and stood guarantee but has not provided security to any other entity -
- (A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees to subsidiaries, joint ventures and associates;

(₹ in lakhs)

Loan to	Aggregate amount during the year	Amount outstanding as on March 31, 2022
Subsidiaries	1,252.30	1,249.73
Joint venture	NIL	NIL
Associates	NIL	NIL

(₹ in lakhs)

Guarantee to	Aggregate amount during the year	Amount outstanding as on March 31, 2022
Subsidiaries	9,160	9,160
Joint venture	NIL	NIL
Associates	NIL	NIL

- (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances, but has not stood guarantees or provided security, to parties other than subsidiaries, joint ventures and associates;

(₹ in lakhs)

	Aggregate amount during the year	Amount outstanding as on March 31, 2022
Loan to others	1,343.70	1,472.26

- (b) the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, except wherever interest free loans have been granted, are not prejudicial to the Company's interest.

Annexure - A continued

- (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.

Aggregate amount (₹ 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 (₹ In lakhs)
2,607.00	48.46%	1,263.33

- (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 March 31, 2022 on account of disputes are given below:

Name of statutes	Nature of dues	Amount ₹ In lakhs	The period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax demand (net of deposit)	6.64	2016-17	CIT (Appeal)

- (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 taken no funds from any entity or person on account of or meet the obligations of its subsidiaries, associates or joint venture. Accordingly, reporting under clause 3(ix) of the Order is not applicable
- (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 pledge of securities held in its subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix) (f) of the Order is not applicable.
- (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.
- (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, 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 45-1A 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 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.

Annexure - A continued

(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 clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) 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.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Place of signature: Mumbai
Date: May 30, 2022

Annexure - B

to the Independent Auditor's 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 **SAT INDUSTRIES LIMITED** ("the Company") as of March 31, 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.

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 2 (g) 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.

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.

SAMPATI LAL BOHARA & CO.,
Chartered Accountants
Firm's Registration No.: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Place of signature: Mumbai
Date: May 30, 2022

Standalone Balance Sheet

As at March 31, 2022

(₹ in lakhs)

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	3	-	467.18
(b) Capital work-in-Progress		-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	3A	-	0.16
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(i) Investments	4	5,719.89	-
(ii) Trade receivables		-	-
(iii) Loans	5	428.00	-
(iv) Others		-	6,147.89
(i) Deferred tax assets (net)		-	-
(j) Other non-current assets	6	-	168.49
(2) Current assets			
(a) Inventories	7	-	398.40
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	8	352.80	-
(iii) Cash and cash equivalents	9	317.41	-
(iv) Bank balances other than (iii) above	10	2.02	-
(v) Loans	11	1,513.99	-
(vi) Others	12	125.90	2,312.12
(c) Current Tax Assets (Net)			
(d) Other current assets	13	-	2,270.66
Total Assets		-	11,764.90
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	2,261.70	-
(b) Other Equity	15	8,876.09	-
		-	11,137.79
			10,805.18
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1.55	-
(ia) Lease Liabilities			24.03
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b) to be specified) Borrowings		-	1.55
(b) Provisions			
(c) Deferred tax liabilities (Net)	17	-	98.40
(d) Other non-current liabilities			
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	19.49	-
(ia) Lease liabilities			
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	19	468.74	-
(iii) Other financial liabilities (other than those specified in item(c))	20	-	488.23
(d) Other current liabilities	21	-	2.92
(c) Provisions		-	0.50
(d) Current Tax Liabilities (Net)	22	-	35.51
Total Equity and Liabilities		-	11,764.90
See accompanying notes to financial statements	1 to 62	-	-

As per our Report Attached

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholtime Director
DIN: 00185452

HARIKANT TURGALIA
Wholtime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Mumbai. May 30, 2022

Standalone Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in lakhs)

Particulars	Note	Year ended 31.03.2022	Year ended 31.03.2021
I Revenue from operations	23	1,848.97	575.45
II Other income	24	261.81	0.38
III Total Income (I+II)		2,110.78	575.83
IV Expenses :			
Cost of Materials consumed	25	918.35	-
Purchases of Stock-in-Trade	26	364.76	142.84
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	27	(0.38)	(0.71)
Employee benefits expense	28	85.73	69.55
Finance costs	29	2.95	5.47
Depreciation and amortization expense	31	36.12	35.67
Other expenses	30	170.39	189.29
Total expenses		1,577.92	442.11
V. Profit before exceptional items and tax (III-IV)		532.86	133.72
VI. Exceptional items		-	-
VII Profit/(loss) before tax (V-VI)		532.86	133.72
VIII Tax expense :			
(1) Current tax		84.50	26.63
(2) Provisions for tax of earlier years		-	9.47
(3) (Excess)/Short Provision for tax of earlier years		(0.55)	-
(4) Deferred tax		4.60	9.94
		88.55	46.04
IX Profit/(loss) for the period from continuing operation (VII-VIII)		-	87.68
X Profit/(Loss) from discontinued operations.			
XI Tax expense of discontinued operations			
XII Profit/(loss) from discontinued operation (X-XI)		444.31	87.68
XII Profit/(loss) for the period (IX+XII)		444.31	87.68
XIV Other Comprehensive Income			
A (i) Item that will not be reclassified to profit or loss			
Equity Instrument through other comprehensive		1.39	10.27
(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		-	-
(ii) Income tax relating to item that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other Comprehensive Income for the period)		445.70	97.95
XVI Earnings per equity share (for continued Operation):			
(1) Basic (in ₹)	32	0.39	0.08
(2) Diluted (in ₹)	32	0.39	0.08
XVII Earnings per equity share (for discontinued Operation):			
(1) Basic (in ₹)		-	-
(2) Diluted (in ₹)		-	-
XVIII Earnings per equity share (for discontinued & continuing operations):			
(1) Basic (in ₹)	32	0.39	0.08
(2) Diluted (in ₹)	32	0.39	0.08
See accompanying notes to financial statements	1 to 62		

As per our Report Attached

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholtime Director
DIN: 00185452

HARIKANT TURGALIA
Wholtime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Mumbai, May 30, 2022

Annual Report 2021-22

Standalone Cash Flow Statement

For the year ended March 31, 2022

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	532.86	133.72
	Adjustments for:		
	Depreciation	36.12	35.67
	Interest Paid	2.95	5.47
	Profit on sale of assets	(99.77)	-
	Profit on sale of Share	(112.51)	-
	Income tax for eriler year	0.55	(9.47)
	Bad Debt	-	88.54
	TDS not recoverable	0.02	25.59
	Operating Profit before working capital changes	360.22	279.52
	Adjustment for :		
	Trade Receivables	(257.96)	280.29
	Trade payables	440.17	(589.99)
	Loans	1,538.26	601.39
	Changes in Inventories	(397.69)	(0.71)
	Other financial assets	(125.90)	(17.40)
	Financial liabilities	(296.93)	1.15
	Non-financial liabilities	0.50	-
	Current liabilities	0.33	(24.82)
	Increase current tax assets	-	-
	Increase/(Decrease) non-current assets	(122.86)	78.17
	Increase/(Decrease) in other current assets	(1,008.46)	(35.52)
	Cash Generated from Operations	129.68	572.08
	Income Tax Paid	49.00	22.88
	Net Cash Inflow /(Out Flow) from Operation (A)	80.68	549.20
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(13.22)	(0.34)
	Capital work in progress	-	0.14
	Sale of property, plant and equipment	177.05	-
	Sale of Share	211.45	-
	Purchase of investments -Non Current	(417.57)	(119.15)
	Net Cash Inflow/(Outflow) from investing Activities (B)	(42.29)	(119.35)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of borrowings	-	-
	Increase in borrowings	(22.48)	(26.17)
	Dividend payment including DDT	(113.09)	-
	Increase in capital	-	-
	Increase in share premium	-	-
	Interest Paid	(2.95)	(5.47)
	Net Cash Inflow /(Out Flow) from Financing Activities (C)	(138.52)	(31.64)
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	(100.13)	398.21
	Cash and Cash equivalents at the beginning of the year	417.54	19.33
	Cash and Cash equivalents at the end of the year	317.41	417.54

As per our Audit Report Attached

Notes:

- 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
SAMPATI LAL BOHARA & CO.,
Chartered Accountants
FRN: 003324C

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Mumbai, May 30, 2022

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholetime Director
DIN: 00185452

HARIKANT TURGALIA
Wholetime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442

Standalone Statement of Changes in equity

a) EQUITY SHARE CAPITAL

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	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
2261.70	-	-	-	2261.70

(₹ in lakhs)

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	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
2261.70	-	-	-	2261.70

(₹ in lakhs)

	Reserves & Surplus				Equity		Total
	Capital Reserve	Securities premium	General Reserve	Retained earnings	Instruments through other Comprehensive Income	Total	
Balance at the end of the reporting period - March 31, 2020	338.25	7,477.87	47.40	641.40	(59.39)	8,445.53	
Profit for the year		-		87.68	-	87.68	
Other comprehensive income				-	10.27	10.27	
Total Comprehensive income for the year			47.40	87.68	10.27	97.95	
Balance at the end of the reporting period - March 31, 2021	338.25	7,477.87	47.40	729.08	(49.12)	8,543.48	
Profit for the year		-		444.31	-	444.31	
Other comprehensive income				-	1.39	1.39	
Dividend				113.09	-	113.09	
Total Comprehensive income for the year			47.40	817	(49.12)	8,876.09	
Balance at the end of the reporting period - March 31, 2022	338.25	7,477.87	47.40	817	(49.12)	8,876.09	

(₹ in lakhs)

See accompanying notes to financial statements.

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

AJAY SARIYA
 PARTNER
 M.No. 079102
 UDIN: 22079102AJVTSM6103

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
 Wholetime Director
 DIN: 00185452

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 Wholetime Director and CFO
 DIN: 00049544

ALKA PREMKUMAR GUPTA
 Company Secretary
 M.No. A35442

Mumbai, May 30, 2022

Notes to Standalone Financial Statements

1. COMPANY INFORMATION

Sat Industries Limited (SIL) was incorporated on November 23, 1984 and having its registered office at Mumbai, Maharashtra. SIL is engaged in the business of international trading, investment and finance, leasing of assets, manufacturing of flexible packaging, hose pipes ,education etc. through it own or through subsidiary and associate companies.

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. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP.

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.

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

Plant and Equipment	7 – 25 Years
Furniture and Fixtures	8 – 10 Years
Vehicles	8 – 10 Years
Office Equipment	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.

Notes to Standalone Financial Statements

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 carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at April 01, 2016 measured as per the previous GAAP.

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 FIFO Basis. 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.

Notes to Standalone Financial Statements

Investment in Subsidiary and Associate

Investment in subsidiary and associate are 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.

Notes to Standalone Financial Statements

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 excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership 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.

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.

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.

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.

Notes to Standalone Financial Statements

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.

Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per the Corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

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.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led.

Segment results represent profits before finance charges, unallocated corporate expenses and taxes. "Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

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 and cost 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.

Notes to Standalone 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 respect 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.

Notes to Standalone Financial Statements

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Owned Assets				Under Operating Lease		Total
	Furniture and Fixtures	Vehicle	Computers	Office equipment	Moulds	Plant and Equipment	
Year ended March 31, 2022							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	1.77	100.96	6.43	6.78	459.85	94.34	670.13
Additions	-	-	3.43	2.70	6.94	-	13.07
Disposals/Adjustment	-	-	-	-	-	94.34	94.34
Closing Gross Carrying Amount	1.77	100.96	9.86	9.48	466.79	-	588.86
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	0.57	31.42	5.56	4.83	46.73	13.51	102.62
Depreciation charged during the year	0.17	11.99	0.95	1.11	18.35	3.55	36.12
Disposals/Adjustments	-	-	-	-	-	17.06	17.06
Closing Accumulated Depreciation	0.74	43.41	6.51	5.94	65.08	-	121.68
Net Carrying Amount	1.03	57.55	3.35	3.54	401.71	-	467.18
Year ended March 31, 2021							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	1.77	100.96	6.09	6.78	459.85	94.34	669.79
Additions	-	-	0.34	-	-	-	0.34
Disposals/Adjustment	-	-	-	-	-	-	-
Closing Gross Carrying Amount	1.77	100.96	6.43	6.78	459.85	94.34	670.13
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	0.40	19.43	5.13	3.91	28.34	9.74	66.95
Depreciation charged during the year	0.17	11.99	0.43	0.92	18.39	3.77	35.67
Disposals/Adjustments	-	-	-	-	-	-	-
Closing Accumulated Depreciation	0.57	31.42	5.56	4.83	46.73	13.51	102.62
Net Carrying Amount	1.20	69.54	0.87	1.95	413.12	80.83	567.51

Note :

- The Company has no immovable properties.
- The Company has not revalued Property, Plant and Equipment .
- The Company has not revalued its intangible assets.
- The Company has no capital work in progress.
- There is no intangible assets under development.

NOTE - 3A Other Intangible Assets

(₹ in lakhs)

	Software	
Opening Gross Carrying Amount	-	-
Additions	0.16	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	0.16	-
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	-	-
Depreciation charged during the year	-	-
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	0.16	-

Notes to Standalone Financial Statements

NOTE 4: INVESTMENTS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of units	Amount	No of units	Amount
A) Investments in Equity Instruments				
i) Unquoted				
(a) Investments in Subsidiary (fully paid up)				
(Carried at cost)				
Italica Furniture Private Limited	20,82,118	797.17	20,82,118	797.17
(Shares of ₹ 10/- each)				
Italica Global FZC	100	34.04	100	34.04
(Shares of AED 1850 each)				
Sah Polymers Limited	1,43,16,000	1,854.95	1,43,16,000	1,854.95
(Shares of ₹ 10/- each)				
Aeroflex Finance Private Limited	21,00,000	210.00	21,00,000	210.00
(Shares of ₹ 10/- each)				
Aeroflex International Limited	10,00,000	100.00	10,00,000	100.00
(Shares of ₹ 10/- each)				
Aeroflex Industries Ltd.	2,10,75,408	2,049.61	2,10,75,408	2,049.61
(Shares of ₹ 10/- each)				
(b) Investments in Others (fully paid up)				
(At fair value through other comprehensive income):				
Fibcorp Polyweave Private Limited	-	-	9,750	89.05
(Shares of ₹100/- each)				
Ensuredit Technologies Pvt Ltd - E/s	123	2.54	-	-
(Shares at ₹10/- each)				
Positive Food Ventures Private Limited - E/S	89	0.12	89	0.12
(Shares of ₹10/- each)				
Genext Students Private Limited	10,10,127	211.45	9,36,513	199.50
(Shares of ₹ 10/- each)				
Globalvalue Food And Condiments Pvt Ltd	26	2.50	26	2.50
(CCPS of ₹10/- each)				
Investment in Funds				
9Unicorns Accelerator Fund - I	70,000	70.00	30,000	30.00
(Units of ₹100/- each)				
Blinc Fund II	200	20.00	-	-
Z Nation Lab Growth Fund	1,582	161.93	-	-
Prescinto Technologies Pvt Ltd	-	-	257	5.99
(CCPS of ₹ 10/- each)				
Positive Food Ventures Pvt Ltd - CCD	1,697	2.38	1,697	2.38
(CCD of ₹ 10/- each)				
Tecso Charge Zone Private Limited	-	-	1,191	2.50
(CCPS of ₹ 10/- each)				
Gozing Technology Pvt Ltd - CCD	35	2.10	-	-

Notes to Standalone Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of units	Amount	No of units	Amount
Investment in CCPS				
Aubotz Labs Pvt Ltd	39	7.01	-	-
(Face Value ₹ 10/-)				
Botson Labs Private Limited	1,030	7.52	-	-
(Face Value ₹ 10/-)				
Broomees India Pvt Ltd	64	11.04	-	-
(Face Value ₹ 10/-)				
CarterPorter Pvt Ltd	22	1.80	-	-
(Face Value ₹ 10/-)				
Chakshu.AI Pvt Ltd	985	10.00	-	-
(Face Value ₹ 10/-)				
Comfypets Pvt Ltd	97	11.03	-	-
(Face Value ₹ 10/-)				
Crescere Technologies Pvt Ltd	10	7.00	-	-
(Face Value ₹ 10/-)				
Devnagri AI Private Limited	40	6.52	-	-
(Face Value ₹ 10/-)				
DVDP Technologies Pvt Ltd	79	7.01	-	-
(Face Value ₹ ₹ 10/-)				
Ensuredit Technologies Pvt Ltd	120	2.48	-	-
(Face Value ₹ 10/-)				
Expertrons Technologies Pvt Ltd	8	5.42	-	-
(Face Value ₹ 10/-)				
Frello Technology Pvt Ltd	39	9.23	-	-
(Face Value ₹ 10/-)				
Giggle Galaxy Private Limited	27,064	6.22	-	-
(Face Value ₹ 10/-)				
Joule Consulting Private Limited	240	6.69	-	-
(Face Value ₹ 10/-)				
Meliorism Switchism Pvt Ltd	129	10.07	-	-
(Face Value ₹ 10/-)				
Mothersense Technologies Pvt Ltd	1	2.14	-	-
(Face Value ₹ 10/-)				
Ncome Tech Solutions Pvt Ltd	42	5.09	-	-
(Face Value ₹ 10/-)				
Pinbox Inclusion Pvt Ltd	11	5.85	-	-
(Face Value ₹ 10/-)				
Prescinto Technologies Pvt Ltd	257	5.99	-	-
(Face Value ₹ 10/-)				
Qzense Labs Pvt Ltd	17	2.31	-	-
(Face Value ₹ 10/-)				
Sampatra Technologies Pvt Ltd	750	7.61	-	-

Notes to Standalone Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of units	Amount	No of units	Amount
(Face Value ₹ 10/-)				
Seygnux Solutions Pvt Ltd	39	5.59	-	-
(Face Value ₹ 10/-)				
Shrikar Datakund Pvt Ltd	52	7.52	-	-
(Face Value ₹ 10/-)				
SPV Laboratories Pvt Ltd	7,400	7.03	-	-
(Face Value ₹ 10/-)				
Tecso Charge Zone Private Limited	2,191	4.60	-	-
(Face Value ₹ 10/-)				
Wizzy Softech Pvt Ltd	97	11.10	-	-
ii) Quoted				
Tirupati Sarjan Limited	3,75,000	27.23	3,75,000	25.84
(Shares of ₹ 10/- each)				
Total	-	5,719.89	-	5,403.65

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Investment	5,719.89	5,403.65
Aggregate amount of Quoted Investments	74.96	74.96
Market value of the Quoted Investments	27.23	25.84
Aggregate amount of Unquoted Investments	5,692.66	5,377.81
Aggregate provision for diminution in value of investments	47.73	49.12

NOTE 5: FINANCIAL ASSETS: LOANS NON-CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Loans:		
(a) Loan considered good - secured		
(b) Loan considered good - unsecured	428.00	428.00
(c) Loans which have significant increase in Credit Risk		
(d) Loans - Credit impaired		
	428.00	428.00
Less: Allowance for doubtful debts	-	-
Total	428.00	428.00

Notes to Standalone Financial Statements

NOTE 6: OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances other than capital advances		
- Others	0.32	0.41
OTHER ADVANCES :		
- With Statutory Authorities	9.70	19.29
- Advance Against shares	158.47	25.93
Total	168.49	45.63

NOTE 7: INVENTORIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At lower of cost and net realisable value		
Raw material - SS Billet	397.31	-
Stock-In-Trade	1.09	0.71
Total	398.40	0.71

NOTE 8: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade Receivables considered good - secured	-	-
(b) Trade Receivables considered good - unsecured	352.80	94.84
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - Credit impaired	-	-
	352.80	94.84
Less: Allowance for doubtful debts	-	-
Total	352.80	94.84

Trade receivables ageing schedule as at March 31, 2022

(₹ in lakhs)

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	352.80	-	-	-	-	352.80
(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	352.80	-	-	-	-	352.80

Notes to Standalone Financial Statements

Trade receivables ageing schedule as at March 31, 2021

(₹ in lakhs)

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	6.43	-	88.42	-	-	94.85
(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	6.43	-	88.42	-	-	94.85

NOTE 9: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Balances with banks		
i) in Current Accounts	42.33	26.72
ii) in Fixed Deposit*	275.00	390.61
b) Cash on hand	0.08	0.20
Total	317.41	417.53

NOTE 10: BANK BALANCES OTHER

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Deposit with less than 12 months maturity *	2.00	2.00
- Interest accrued on deposit etc.	0.02	0.02
Total	2.02	2.02

NOTE 11: FINANCIAL ASSETS: LOANS CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loan considered good - secured	-	-
(b) Loan considered good - unsecured *	1,513.99	3,052.25
(c) Loans which have significant increase in Credit Risk	-	-
(d) Loans - Credit impaired	-	-
	1,513.99	3,052.25
Less: Allowance for doubtful debts	-	-
Total	1,513.99	3,052.25

*includes to related parties ₹1201.73 lakhs (pr.yr. ₹ 1596.78 lakhs) - refer to note 35

Notes to Standalone Financial Statements

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

(₹ in lakhs)

Type of Borrower	Amount of loan or advance in the nature of outstanding as on March 31, 2022	Percentage to the total Loans & Advances in the nature of Loans as on March 31, 2022	Amount of loan or advance in the nature of outstanding as on March 31, 2021	Percentage to the total Loans & Advances in the nature of Loans as on March 31, 2021
Promoters	-	-	-	-
Directors	-	-	-	-
KMP's	-	-	-	-
Related Parties	1,201.73	61.88	1,596.78	45.88
Total	1,201.73	61.88	1,596.78	45.88

NOTE 12: OTHER CURRENT FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Financial Assets		
- Interest accrued on loan, deposit etc.	125.90	-
Total	125.90	-

NOTE 13: OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances other than capital advances		
- Others	0.83	0.83
Other advances :		
- With Statutory Authorities	-	-
- Prepaid Expenses	29.55	1.42
- Employees	1.48	2.38
- Other Receivables	2,238.32	1,255.70
GST Credit	0.48	1.87
Total	2,270.66	1,262.20

NOTE 14: SHARE CAPITAL

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 2/- each	11,50,00,000	2,300.00	11,50,00,000	2,300.00
	11,50,00,000	2,300.00	11,50,00,000	2,300.00
Issued				
Equity Shares of ₹ 2/- each fully paid up	11,30,85,000	2,261.70	11,30,85,000	2,261.70
Total	11,30,85,000	2,261.70	11,30,85,000	2,261.70

Notes to Standalone Financial Statements

Note: 14.01 Reconciliation for No. of shares outstanding during the year

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	11,30,85,000	2,261.70	11,30,85,000	2,261.70
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11,30,85,000	2,261.70	11,30,85,000	2,261.70

Note: 14.02 Details of shareholders holding more than 5%

(₹ in lakhs)

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
1. Sat Invest Private Limited	5,08,35,000	44.95%	5,08,35,000	44.95%
2. DA Tradetech Private Limited (Formerly known as "Dawood Investment Private Limited")	72,09,321	6.38%	72,09,321	6.38%
3. Space Age Polymers LLP	66,19,455	5.85%	66,19,455	5.85%
4. A Flex Invest Private Limited	75,00,000	6.63%	75,00,000	6.63%

14.03: The Company has only one class of shares referred to as the equity shares having face value of ₹ 2/- each. Each holder of equity shares 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.

14.04: There are no calls unpaid on equity shares.

14.05: No Equity shares have been forfeited.

14.06: No shares have been reserved for issue under options.

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

Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change during the year	
	No. of shares	% of total shares	No. of shares	% of total shares	2021-22	2020-21
M/s. Sat Invest Pvt Ltd	5,08,35,000	44.95	5,08,35,000	44.95	-	-
M/s. A Flex Invest Pvt Ltd	75,00,000	6.63	75,00,000	6.63	-	-
Total	5,83,35,000	51.58	5,83,35,000	51.58	-	-

Notes to Standalone Financial Statements

NOTE 15: OTHER EQUITY

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. SECURITIES PREMIUM		
As per the last year accounts	7,477.88	7,477.88
Add: Addition during the year	-	-
	7,477.88	7,477.88
2. CAPITAL RESERVE		
As per the last year accounts	338.25	338.25
3. GENERAL RESERVE		
As per the last year accounts	47.40	47.40
4. RETAINED EARNINGS		
As per the last year accounts	729.08	641.40
Add: Surplus for the year	444.31	87.68
	1,173.39	729.08
Less: Dividend on equity shares:	113.09	
	1,060.30	729.08
5. EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME		
As per the last year accounts	(49.13)	(59.40)
Add: Addition during the year	1.39	10.27
	(47.74)	(49.13)
TOTAL	8,876.09	8,543.48

Nature and purpose of reserves

1) Securities 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 Companies Act, 2013.

2) General Reserve

General Reserve: This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

3) Capital Reserve

Capital Reserve represents the amount forfeited on not exercising the option attached to the conversion of warrants into equity shares within a scheduled time.

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.

5) Equity Instruments through Other Comprehensive Income:

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

Notes to Standalone Financial Statements

NOTE 16: BORROWINGS-NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Secured				
Term Loan				
From Bank	-	-	-	-
Yes Bank (a)	11.06	0.86	10.20	13.75
Others	-	-	-	-
Kotak Mahindra Prime Limited (b)&(c)	8.43	0.69	7.99	10.28
Total	19.49	1.55	18.19	24.03

- (a) Term loan from Yes Bank is secured against hypothecation of Car no. MH01 DB 1251. The loan is repayable in 60 equated monthly instalments of ₹ 112822/- each commencing from March 09, 2018 and the last instalment is repayable on March 02, 2023. There is no continuing default in the repayment of instalment and interest thereon. Rate of interest as on March 31, 2022 is 8.10% per annum.
- (b) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 CT 6227. The loan is repayable in 60 equal monthly instalments of ₹ 22941/- each commencing from December 16, 2017 and the last instalment is repayable on November 01, 2022. There is no continuing default in the repayment of instalment and interest thereon. Rate of interest as on March 31, 2022 is 8.35% per annum.
- (c) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 DK 9693. The loan is repayable in 36 equal monthly instalments of ₹ 63185/- each commencing from March 05, 2020 and the last instalment is repayable on February 05, 2023. There is no continuing default in the repayment of instalment and interest thereon.

NOTE 17: DEFERRED TAX LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	93.80	83.86
Deferred tax liability		
Depreciation	5.26	10.04
Gratuity	0.66	0.10
Deferred tax assets		
Gratuity	-	-
Unabsorbed depreciation	-	-
Net amount charged to Profit & Loss	4.60	9.94
Total	98.40	93.80

NOTE 18: BORROWINGS - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturity of long term debt*	19.49	18.19
Total	19.49	18.19

*for security etc. refer note 16

Notes to Standalone Financial Statements

NOTE 19: TRADE PAYABLE

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	468.74	28.57
Total	468.74	28.57

Trade payables ageing schedule as at March 31, 2022

(₹ in lakhs)

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 -Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	468.42	-	0.32	-	-	468.74
(iii) Disputed dues - Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	468.42	-	0.32	-	-	468.74

Trade payables ageing schedule as at March 31, 2021

(₹ in lakhs)

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 -Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	13.49	11.09	-	-	3.99	28.57
(iii) Disputed dues - Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	13.49	11.09	-	-	3.99	28.57

NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Amount payable for capital goods	-	298.23
Total	-	298.23

NOTE 21: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	2.92	2.59
Total	2.92	2.59

NOTE 22: CURRENT TAX LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax (Net of advance tax)	35.51	3.75
Total	35.51	3.75

Notes to Standalone Financial Statements

NOTE 23: REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Trading	367.67	154.46
ii) Manufacturing Goods	1,026.71	-
ii) Services		
a) Income from Equipment Uses charges	116.35	141.61
b) Income from Interest	296.24	279.38
c) Income from Professional Fees	42.00	-
Total	1,848.97	575.45

NOTE 24: OTHER INCOME

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit from Sale of Investment in Shares	112.51	-
Other Income	49.53	0.38
Profit on sales of Assets	99.77	-
Total	261.81	0.38

NOTE 25: COST OF MATERIAL CONSUMED

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Stock	-	-
Add: Purchases and adjustments	1,315.66	-
	1,315.66	-
Less: Closing Stock	397.31	-
Total	918.35	-

NOTE 26: PURCHASE OF STOCK-IN-TRADE

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Traded Goods	364.76	142.84
Total	364.76	142.84

NOTE 27: CHANGES IN INVENTORIES

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
At the end of the Year		
Closing Stock	1.09	0.71
At the beginning of the Year		
Opening Stock	0.71	-
Total	(0.38)	(0.71)

Notes to Standalone Financial Statements

NOTE 28: EMPLOYEE BENEFITS

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Salary, Bonus & Other Benefits	83.59	69.24
Gratuity fund contributions	2.14	0.31
Total	85.73	69.55

NOTE 29: FINANCE COST

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on borrowing	2.78	5.26
Interest on delayed payment of tax	0.17	0.21
Total	2.95	5.47

NOTE 30: OTHER EXPENSES

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Payment to Auditor as:		
a. Statutory Audit fees	0.50	0.50
b. Certification Fees	0.17	-
Advertisement and Publicity	0.92	0.58
Bad Debts Written Off	-	88.54
Business Promotion Exp.	0.18	0.90
Bank Charges and Commission	0.23	0.18
Conveyance Expenses	6.84	9.37
Depository Charges	1.50	1.50
CSR Activities	-	7.50
Commision	-	0.05
Electricity Expenses	2.03	1.46
Listing Fees	3.25	3.00
ROC Filing Fees	0.09	0.07
Consultancy Services	0.10	-
Insurance Expenses	0.92	0.86
Profession Tax Enrolment	0.03	0.02
GST Paid for Earlier Years	0.04	0.32
Web Development Expenses	0.61	0.45
Office Expenses	9.66	9.06
Printing/Stationery Expenses	1.10	1.00
Professional Charges	31.19	9.01
Rent	19.46	15.96
TDS not Recoverable	0.02	25.59
Job Charges	63.21	-
Carriage Outward	17.09	-
Repair and Maintenance	-	0.13
Telephone & Communication Expenses	2.86	3.59
Maharashtra Labour Welfare	0.01	0.01

Notes to Standalone Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Demat Charges	0.01	0.02
Travelling Expenses	4.45	6.24
Vehicle Insurance	0.68	1.77
Vehicle Running and Maintenance	3.24	1.61
Total	170.39	189.29

NOTE 31: ADDITIONAL INFORMATION

(₹ in lakhs)

Depreciation and amortization expenses	As at March 31, 2022	As at March 31, 2021
(i) Depreciation	36.12	35.67
Total	36.12	35.67

NOTE 32: (ii) EARNINGS PER SHARE

(₹ in lakhs)

Earning per share has been computed as under	2021-2022	2020-2021
Earning per share has been computed as under		
(a) Profit for the year	444.31	87.68
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	11,30,85,000	11,30,85,000
(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 [(b)+(c)]	11,30,85,000	11,30,85,000
(e) Earnings per share on profit for the year (Face Value ₹ 2.00 per share) -		
- Basic (a/b) (in ₹)	0.39	0.08
- Diluted (a/d) (in ₹)	0.39	0.08

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

(a) Contingent liabilities	As at March 31, 2022	As at March 31, 2021
Income tax for A.Y. 2017-18 net of deposit under appeal.*	6.64	6.64
Total	6.64	6.64

*does not include interest and penalty, if any.

(₹ in lakhs)

GUARANTEES	As at March 31, 2022	As at March 31, 2021
(b) Guarantee given on behalf of subsidiary		
i) Guarantee given by the Company to Kotak Mahindra Bank Limited, Mumbai against loan provided to Aeroflex Industries Limited	5,500.00	5,500.00
ii) Guarantee given by the Company to ICICI Bank Ltd against loan provided to Sah Polymers limited	300.00	300.00
iii) Guarantee given by the Company to Uco Bank against loan provided to Sah Polymers limited	3,360.00	-
(c) Commitments		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	5.77	68.93

Notes to Standalone Financial Statements

NOTE 34: DETAILS OF SUBSIDIARY

Name	Country of incorporation	% of ownership interest as at March 31, 2022	% of ownership interest as at March 31, 2021
Sah Polymers Limited	India	91.79	91.79
Italica Furniture Private Limited	India	100.00	100.00
Aeroflex Finance Private Limited (formerly known Italica Ventures Private Limited)	India	100.00	100.00
Aeroflex International Limited	India	100.00	100.00
Aeroflex Industries Limited	India	98.70	92.18
Italica Global FZC, UAE	UAE	100.00	100.00

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 and fair value :

Carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	(₹ in lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at amortised cost				
i) Cash and cash equivalent	317.41	317.41	417.53	417.53
ii) Other Bank balance	-	-	-	-
iii) Loans	1,941.99	1,941.99	3,480.25	3,480.25
iv) Trade receivables	352.80	352.80	94.84	94.84
v) Other financial assets	125.90	125.90	-	-
Sub Total	2,738.10	2,738.10	3,992.62	3,992.62
A				
a) Measured at fair value through OCI				
i) Equity Instrument	158.38	158.38	158.38	158.38
Sub Total	158.38	158.38	158.38	158.38
Total Financial assets	2,896.48	2,896.48	4,151.00	4,151.00
b) Financial Liabilities				
Measured at amortised cost				
i) Borrowings	1.55	1.55	24.03	24.03
ii) Trade payables	468.74	468.74	28.57	28.57
iii) Other financial liabilities	-	-	298.23	298.23
Total financial liabilities	470.29	470.29	350.83	350.83

Notes to Standalone Financial Statements

B

a) Level 1: Quoted price (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices)

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

C: FINANCIAL RISK MANAGEMENT

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

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 instruments. The Company 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. Investments are largely in subsidiaries and associates and are on long term basis.

(ii) Management of price risk:

The Company invests its surplus funds in deposits with banks on short term tenors on fixed interest rate and the same is not exposed to any price risk. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(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 no foreign currency transactions and is, therefore, not exposed to foreign exchange risk.

The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at March 31, 2022 is ₹ 462.67 lakhs (2021- ₹ 158.38 lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

As the Company is virtually debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. The investment is guided by tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation.

Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

Notes to Standalone Financial Statements

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 from its financing activities including investments in deposits with banks.

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 customer base is large enough and does not have risk of credit concentration. Further, credit is extended in business interest.

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 robust 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 ₹ 4981.18 lakhs (2021 - ₹ 4829.55 lakhs) including Cash and cash equivalents and Other bank balances of ₹ 319.43 lakhs (2021 - ₹ 419.55 lakhs) against an aggregate Current liability of ₹ 531.63 lakhs (2021 - ₹ 351.33 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 1.55 lakhs (2021 - ₹ 24.03 lakh) 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 ₹ 11133.32 Lakhs(2021 - ₹ 10805.18 Lakhs), it has current borrowings of ₹ NIL (2021 - ₹ NIL). 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.

NOTE 35: DISCLOSURES IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 21

(i) Subsidiary :

- 01) Sah Polymers Limited
- 02) Italica Furniture Private Limited
- 03) Aeroflex Finance Private Limited
- 04) Aeroflex International Limited
- 05) Aeroflex Industries Limited
- 06) Italica Global FZC, UAE

(ii) Step down subsidiary:

- Fibcorp Polyweave Private Limited

(iii) Key Managerial Persons

- 01) Mrs. Shehnaz D Ali, Wholetime Director
- 02) Mr. Harikant Turgalia, Wholetime Director and Chief Financial Officer
- 03) Ms. Alka Premkumar Gupta, Company Secretary

Notes to Standalone Financial Statements

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	2021-22	2020-21	Nature of transaction
Mr. Harikant Turgalia	14.99	13.94	Remuneration
Mrs. Shehnaz D. Ali	15.20	13.46	i) Remuneration
	-	-	ii) Keyman Insurance Premium paid
Sat Invest Pvt. Ltd.	0.02	-	i) Fees paid on behalf
Aeroflex Finance Pvt. Ltd.	2.75	1.00	i) Unsecured Loan Given
	8.36	1.27	ii) Loan repayment received
	5.61	0.27	iii) Fees paid on behalf
Sah Polymers Ltd.	895.44	423.00	i) Unsecured Loan Given
	313.93	473.00	ii) Unsecured Loan Repaid
	-	25.00	iii) Unsecured Loan Taken
	-	-	iv) Interest received
	20.86	0.75	v) Interest Paid
	-	-	vi) Rent paid
	-	-	vii) Loan repayment received
Italica Furniture Pvt. Ltd.	1,021.93	1,195.14	i) Unsecured Loan Given
	743.35	221.20	ii) Loan repayment received
	-	-	iii) Sale of Assets
	-	-	iv) Fees paid on behalf
Aeroflex Industries Ltd.	607.86	1,419.55	i) Unsecured Loan Given
	90.49	199.10	ii) Interest Received
	607.86	870.00	iii) Loan repayment received
	24.00	-	iv) Professional Fees
	18.00	-	v) Finance Management Consultancy
A Flex Invest Pvt Ltd	1.53	0.32	i) Exp Paid on behalf
	9.47	9.28	ii) Rent Paid

Closing balances

Name	₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Mrs. Shehnaz D. Ali	1.27	1.16
Mr. Harikant Turgalia	1.07	1.16
Sah Polymers Ltd.	780.00	-
Sat Invest Pvt. Ltd.	-	-
Aeroflex Industries Ltd.	-	607.88
Italica Furniture Pvt. Ltd.	469.73	973.93
A Flex Invest Pvt Ltd	-	-

Closing balances in the case of other parties is NIL

None of the related parties balances has been written off.

Notes to Standalone Financial Statements

NOTE 36:

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.

During the year, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 0.51 lakhs (March 31, 2021 ₹17.28 lakhs). The Company is reasonably not certain availing the said MAT Credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

(₹ in lakhs)

Tax Credits carried forward	As at March 31, 2022	Expiry Date	As at March 31, 2021	Expiry Date
2009-2010	0.08	31.03.2025	0.08	31.03.2025
2010-2011	1.18	31.03.2026	1.18	31.03.2026
2011-2012	0.42	31.03.2027	0.42	31.03.2027
2015-2016	7.62	31.03.2031	7.62	31.03.2031
2016-2017	44.04	31.03.2032	44.04	31.03.2032
2017-2018	113.12	31.03.2033	113.12	31.03.2033
2018-2019	1.74	31.03.2034	1.74	31.03.2034
2019-2020	17.28	31.03.2035	17.28	31.03.2035
2020-2021	0.51	31.03.2036	0.51	31.03.2036
2021-2022	4.44	31.03.2037		

NOTE 37: TAX RECONCILIATIONS

(₹ in lakhs)

	2021-2022	2020-2021
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax :		
Current tax on profits for the year	84.50	26.63
Deferred tax (Net)	4.60	9.94
Total income tax expenses	89.10	36.57

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 :

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before income tax	303.77	134.25
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expenses	84.35	37.19
Tax effect of adjustment to reconcile expected income tax expenses to reported Income tax expenses		
Tax effects of amounts which are not deductible for taxable income	9.27	9.27
MAT Credit Adjust	-	(10.72)
Others	(9.12)	(9.12)
	0.15	(10.57)
Total income tax expenses	84.50	26.62

Notes to Standalone Financial Statements

Deferred Tax (Liabilities)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Property Plant and Equipment	36.12	35.67
Gratuity	2.14	0.31
Total deferred tax liabilities	38.26	35.98

Deferred Tax Assets

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Others	-	-
Total deferred tax Assets	-	-

Movement in Deferred tax Liabilities /Assets

(₹ in lakhs)

Particular	Property, Plant and equipment	Other Deferred tax Assets	Deferred tax Liabilities/Asset net
As at March 31, 2020	91.37	7.51	83.86
(Charged)/Credited to Profit and Loss	9.94	-	9.94
As at March 31, 2021	101.31	-	93.80
(Charged)/Credited to Profit and Loss	4.60	-	4.60
As at March 31, 2022	105.91	-	98.40

NOTE 38: EMPLOYEE BENEFITS

a) 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.

b) Amounts Recognised as Expense:

i) Defined Benefit Plan

Gratuity cost amounting to ₹ 0.31 Lakhs (Previous Year ₹ 0.19 Lakhs) has been included in Note 25 under Contribution to Provident and Other Funds.

NOTE 39:

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.

Notes to Standalone Financial Statements

(₹ in lakhs)

Information relating to the Micro, Small and Medium Enterprises	As at March 31, 2022	As at March 31, 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	NIL	NIL
(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;	NIL	NIL
(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;	NIL	NIL
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(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.	NIL	NIL

NOTE 40: AS PER IND AS 108 “OPERATING SEGMENT”, THE SEGMENTS DETAILS ARE AS UNDER

(₹ in lakhs)

Particular	Year Ended March 31, 2022	Year Ended March 31, 2021
Segment Revenue		
Trading	1,394.38	154.46
Finance & Investment	454.59	420.99
Total	1,848.97	575.45
Other Income	261.81	0.38
Total Revenue	2,110.78	575.83
Segment results		
Trading	111.65	11.95
Finance & Investment	159.40	121.39
Total Segment Results	271.05	133.34
Other Income	261.81	0.38
Profit before tax	532.86	133.72
Provision for tax	88.55	46.04
Profit after tax	444.31	87.68
Segment Assets		
Trading	352.80	94.84
Finance & Investment	11,412.10	11,179.50
Total	11,764.90	11,274.34
Segment Liabilities		
Trading	468.74	28.57
Finance & Investment	138.38	422.40
Total	607.12	450.97

Notes to Standalone Financial Statements

(₹ in lakhs)

Particular	Year Ended March 31, 2022	Year Ended March 31, 2021
Capital Expenditure		
Trading	6.13	0.34
Finance & Investment	6.94	-
Total	13.07	0.34
Depreciation and amortization		
Trading	14.22	13.51
Finance & Investment	21.90	22.16
Total	36.12	35.67

(₹ in lakhs)

GEOGRAPHICAL INFORMATION	As at March 31, 2022	As at March 31, 2021
Non Current Assets - Within India	6,783.56	6,444.79
- Outside India	-	-
1. Revenue from external customers - Within India	1,848.97	575.45
- Outside India	NIL	NIL

NOTE 41: EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities - ₹ NIL (2021 - ₹ 7.50 lakhs)

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(1) Gross amount required to be spent by the company during the year	-	7.50
(2) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	7.50

NOTE 42:

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on March 31, 2022 are subject to confirmation and reconciliation.

NOTE 43:

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 44:

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

NOTE 45:

The financial statements were authorised for issue by the Board of Directors on May 30, 2022.

NOTE 46:

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.

Notes to Standalone Financial Statements

NOTE 47:

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

NOTE 48:

The Company has submitted an application to the Honourable National Company Law Tribunal at Mumbai under section 230-232 of the Companies Act, 2013 for the amalgamation of its wholly owned subsidiary companies namely Italica Furniture Private Limited and Aeroflex International Limited with it with an appointed date April 01, 2020. The application is pending.

NOTE 49:

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Not later than one year	112.20	144.66
Later than one year and not later than five years	-	-
Later than five years	-	-

NOTE 50:

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 51:

The Company has taken no borrowings from banks on the basis of security of current assets of the Company.

NOTE 52:

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

NOTE 53:

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 54:

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

NOTE 55:

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 56:

Ratios

Particulars	Formuale used	Ratio		Explanation for any change in ratio by more than 25% as compared to previous year.
		As at March 31, 2022	As at March 31, 2021	
(a) Current ratio	Current assets/ Current Liabilities	9.45	13.75	Increase in short term borrowings to meet temporary paucity of funds
(b) Debt equity ratio	Total Debt/ Shareholder's Equity	-	-	Reduction in term borrowings and improved shareholder's equity due to higher profit margins
(c) Debt Service Coverage Ratio	Earning available for debt service/ Debt Service	9.87	5.43	Increased in profitability

Notes to Standalone Financial Statements

Particulars	Formuale used	Ratio		Explanation for any change in ratio by more than 25% as compared to previous year.
		As at March 31, 2022	As at March 31, 2021	
(d) Return on Equity Ratio	Net profit after taxes/ Average Shareholder's equity	0.04	0.01	Higher profit margins
(e) Inventory turnover ratio	Sales/Average Inventory	6.99	435.10	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 Receivable	8.26	2.06	Better collection system and reduction in credit period
(g) Trade payables turnover ratio	Net Credit purchase/ Average Trade Payables	4.22	0.3	Reduction in purchasing of goods on credit
(h) Net capital turnover ratio	Net Sales/Working capital	0.42	0.13	Increase in short term borrowings to meet temporary paucity of funds
(i) Net profit ratio	Net profit/Net sales	0.24	0.15	Improvement in margin on sale of products due to cost controls.
(j) Return on Capital employed	Earning before interest and taxes/Capital Employed	0.04	0.01	Increase due to higher profit margin after tax
(k) Return on investment	Income generated from investment/ Time weighted average investment	*	*	Not calculated as investment in start up are made with a long term view which do not give return immediately. The same is also with investments in subsidiary companies which are made with the purpose of acquisition of business.

NOTE 57:

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

NOTE 58:

Utilisation of Borrowed funds and share premium :

- 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) that 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.
- 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 59:

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

Notes to Standalone Financial Statements

NOTE 60:

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

NOTE 61:

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

NOTE 62:

- (a) The Board of Directors at its meeting held on May 30, 2022 has recommended a final dividend of ₹ 0.15 per equity share aggregating to ₹ 169.63 lakhs, subject to the approval of the shareholders in respect of year ended March 31, 2022.
- (b) As approved by the shareholders a dividend of ₹ 0.10 per equity share aggregating to ₹ 113.09 lakhs in respect of year ended March 31, 2021 has been paid during the year.

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

AJAY SARIYA
PARTNER
M No. 079102
UDIN: 22079102AJVTSM6103

Mumbai. May 30, 2022

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Wholetime Director
DIN: 00185452

HARIKANT TURGALIA
Wholetime Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No. A35442



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