

A symphony of strengths

**DIVERSIFIED
DYNAMIC
DRIVEN**

DIVERSIFIED

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DIVERSIFIED | DYNAMIC | DRIVEN

A symphony of strengths

Imagine a vast and diverse landscape, filled with hidden gems waiting to be discovered. The path ahead is winding and ever-changing, requiring a dynamic and adaptable approach. The journey is not for the faint of heart, but for those who are driven by a passion for excellence and a desire to create something truly exceptional.

This is the world that SAT Industries inhabits - a world that is as diverse as it is challenging, as dynamic as it is exciting, and as driven as it is rewarding. As we introduce our Annual Report for 2022-23, we are proud to embrace these qualities, which have become the cornerstone of our business model.

At SAT Industries, diversity is more than just platitude. We believe that our strength lies in our differences, and we have built a Company that celebrates the unique aspects and perspectives of our businesses, team members, partners, and stakeholders. Our dynamic approach allows us to stay ahead of the curve, as we explore new opportunities and invest in emerging technologies and businesses. Furthermore, with a shared drive to achieve excellence, we are confident that we will continue to make a positive impact in the years to come.

FORWARD LOOKING STATEMENT

This document contains statements about expected future events, financial and operating results of SAT Industries Limited ("SAT" or "SAT Industries"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis chapter of the Company's Annual Report.

DIVERSI- FIED

*Diverse by design!
At SAT Industries,
diversity is the recipe for
success. We are not just
a Company, we foster a
culture of possibilities.
With a portfolio that
branches into a myriad of
industries with precision
and poise, we have created
a world where innovation
meets impact. Step into
our universe, as we delve
into our rich tapestry of
vision and ventures.*

04
**About the
Company**

06
**Our Business
Portfolio**



ABOUT SAT INDUSTRIES

DYNAMIC DIVERSITY. WORLDWIDE INFLUENCE.

Since its inception almost four decades ago, SAT Industries has been a trusted player in the Indian business landscape, carving a niche for itself in diversified business verticals. With innovation & execution as its core, SAT has become an incubator for both conventional cash-flow generating businesses and high-potential new-age startups. Through its various subsidiaries, SAT fosters a strong commitment to advancing its business model by continuously exploring opportunities to expand into new and innovative sectors that will form the foundation for tomorrow.



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.



A legacy of transparency and ethical practices

Listed on the BSE since 1985, SAT Industries has built a reputation for itself as a transparent and ethical business group delivering value to its stakeholders. The Company is an investor and strategic partner to numerous business entities that are engaged in various industries, helping them thrive and grow in their respective domains.

Diverse business portfolio

With a presence in over 100 countries across the globe, SAT successfully nurtures and invests in a diverse range of ventures, including manufacturing, leasing, domestic trading, import and export, finance, and investments.

Under the Company's aegis, numerous businesses have thrived and grown, either as subsidiaries or associates. Through its strategic investments, SAT is capitalising on potential of its investee companies and focusing on channelising the infinite possibilities that lay ahead.



SAT Industries in a nutshell

CONNECTING CONTINENTS

With offices located in Mumbai, Dubai and London our reach knows no bounds.

Furthermore, SAT has established its presence in a multitude of international markets, such as the Middle East, Europe, Asia, Africa, and Americas.

DIVERSIFIED BUSINESS INTERESTS

A dynamic business group with a wide range of interests spanning the manufacturing of sustainable packaging materials, cutting-edge flexible flow solutions, steel wire rods, and strategic investments in emerging startups.

LEADERSHIP THAT INSPIRES

Driven by a team of seasoned professionals who are entrusted with the efficient management of the Company's operations. Their efforts are bolstered by a highly qualified and experienced Board of Directors, who bring a wealth of knowledge and expertise to their respective fields.

SETTING NEW MILESTONES

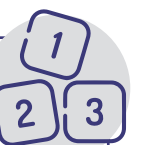
SAT Industries got officially listed in NSE on the 21st of November, 2022, marking a significant milestone in the Company's journey.

Big numbers

Group turnover
₹482 Cr

Invested in
125+ startups

A committed workforce
1060+ people



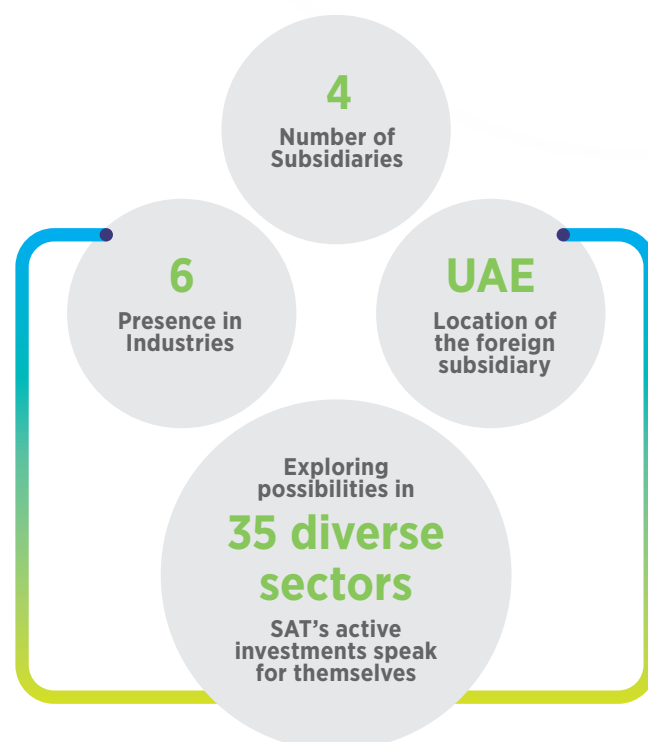
STRENGTH IN DIVERSITY.

Welcome to the world of SAT Industries, where each holding is like a unique puzzle piece. With careful design and strategic placement, these pieces come together to form a cohesive board, representing a unified goal. In the realm of SAT Industries, the whole is greater than the sum of its parts.

SAT Industries is not just a company, it's a powerful force that drives innovation, growth, and success across a diverse range of industries. With 4 subsidiary companies, SAT Industries is a true master of versatility, bringing together capabilities and expertise in everything from manufacturing to finance and investments.

Despite the diversity, what makes SAT Industries truly special is the way all of its businesses fit together like pieces of a puzzle. However, each subsidiary company operates with a great degree of autonomy, excelling in its respective domain to add value to their respective stakeholders and the Group at large. Nonetheless, all these businesses are tied together by a shared goal, standing on a strong foundation of the same values, all of which enables them to function as a cohesive whole.

From its many Indian subsidiaries to its one subsidiary overseas, the Company unleashes the power of synergy to drive growth, success, and innovation.



In FY23, SAT Industries Limited amalgamated two of its wholly owned subsidiaries, Aeroflex International Limited and Italica Furniture Private Limited with itself. Aeroflex International is renowned for its cutting-edge design and manufacturing of machinery, specialising in steel, thermoplastic, polymer and other materials for industrial, agricultural and domestic applications. Italica Furniture, on the other hand, provided innovative leasing solutions for moulds and machines for plastic furniture along with making strategic investments in promising startups. This strategic corporate action has enabled SAT Industries to streamline its corporate structure and strengthen its position as a formidable entity.

Strategic benefits of the amalgamation:

- Promote operational efficiency and rationalisation of resources to ensure optimal utilisation of capital, minimise administrative and operational redundancies, and streamline organisational efficiency.
- Maximise overall shareholder value through greater integration and enhanced financial strength and flexibility of an amalgamated entity.
- Foster greater efficiency in cash management and unfettered access to cash flow generated by the combined business, enabling deployment of resources towards growth opportunities to drive long-term shareholder value.

Like pieces of a puzzle, SAT Industries' subsidiary companies fit together seamlessly to form a bigger picture of our ethos and goals. Each company brings its own unique strengths and expertise to the table, enabling us to provide top-quality products and services across a diverse range of industries.



AEROFLEX INDUSTRIES LIMITED

Introducing Aeroflex Industries, one of the key subsidiaries of SAT Industries, a renowned name in the manufacturing and export of Braided hoses, unbraided hoses, solar hoses, gas hoses, vacuum hoses, braiding, interlock hoses, hose assemblies, lancing hose assemblies, jacketed hose assemblies, exhaust connectors, exhaust gas recirculation (EGR) tubes, expansion bellows, compensators and related end fittings collectively known as flexible flow solutions. At Aeroflex Industries, cutting-edge technology and an ultra-modern facility work in harmony with a team of qualified and experienced professionals that ensures strict supervision and adherence to the highest international quality standards. As an ISO 9001:2015 certified company by TUV NORD Germany, Aeroflex Industries strides ahead with the purpose of excellence, and further cements its position in both domestic and international markets. As the company adds to the diversity of SAT Industries, thus propelling it further in the business landscape.

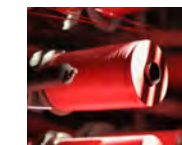
98.70%
Stainless Steel Flow Solutions
India
(Note - Includes indirect holding)



ITALICA GLOBAL FZC, UAE

Italica Global FZC, a distinguished entity in the UAE, proudly stands as a wholly owned foreign subsidiary of SAT Industries. The company is involved in general trading, and as an integral part of SAT Industries, Italica Global adds another dimension to the diverse portfolio of the Company, enhancing its global reach and contributing to its overall success.

100%
Trading
UAE



SAH POLYMERS LIMITED

Adding to the family of SAT industries' esteemed subsidiaries is Sah Polymers Limited. With a rich history spanning over 35 years, Sah Polymers has etched its name in the polymer industry as a reliable and innovative player. A team of seasoned professionals and cutting-edge technology enable the company to offer an exquisite range of products, including PP woven bags, box bags, BOPP laminated bags and most prominently Flexible Intermediate Bulk Containers (FIBCs). Not to forget, Sah Polymers subsidiary Fibcorp Polyweave Private Limited, adding a feather to its cap and expanding its reach in the industry. Driven by its focus on product quality & innovation, Sah Polymers is committed to customer satisfaction, thus earning its place as a critical piece in SAT Industries' puzzle of success. Additionally, with Sah Polymers' recent IPO launch, the company is all set to soar to greater heights, adding value to the entire SAT Industries' family.

55.5%
Flexible Bulk Packaging
India



AEROFLEX FINANCE PRIVATE LIMITED

As a wholly owned subsidiary of SAT Industries, Aeroflex Finance is a Type-II non-deposit taking NBFC registered with the RBI, that specialises in providing innovative financial solutions. As a trusted partner to MSMEs, the company offers tailored loans and advances for working capital and expansion-related requirements, thus helping businesses reach their full potential. Not only that, but it also caters to individual consumers with loans for education, skill development, and other financial assistance. Not stopping there, it extends its helping hand to corporations and firms with loans that best suit their unique requirements. With a commitment to financial excellence, this dynamic subsidiary is well-aligned with SAT's value of empowering people to drive growth.

100%
Lending & Financing
India

DYNAMIC

As the world transforms at an unprecedented pace, SAT Industries is at the forefront of innovation and progress. Our dynamic approach allows us to not only keep up with the rapidly changing landscape of business and technology, but to drive it forward as well. The following section explores how our dynamic mindset, flexible approach and strategic investments in up-and-coming startups are shaping the future and creating new opportunities for growth and success. Join us on a journey where possibilities are limitless and progress is constant.

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**Key Group
Entities**

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**Startup Investment
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**Foray Into
Wire Rods**



KEY GROUP ENTITIES: AEROFLEX INDUSTRIES LIMITED

FLEXIBLE, DURABLE, AND SAFE: THE RESILIENT CHOICE

The future belongs to those who embrace innovation and sustainability. Amidst the ever-evolving landscape of industrial solutions, a select few have emerged as the undisputed champions of durability, safety, and sustainability. In the domain of stainless steel (SS) corrugated flexible hoses and assemblies, Aeroflex Industries has emerged as the preferred choice for businesses seeking superior performance and resilience. Being India's premier manufacturer of metallic flow solutions, Aeroflex Industries is changing the game and redefining the limits of what is possible.

Amidst the shifting tides of innovation and sustainability, metallic flexible flow solutions have emerged as the crown jewel of material conveyance. With unparalleled endurance, resistance to extreme temperatures, minimised carbon footprint, elevated safety benchmarks and an extended lifespan, the ascendancy of metallic flexible flow solutions over traditional conduits is now an undeniable reality.

Aeroflex Industries has honed its craft over the years, delivering only the best to institutions worldwide. Its products are built to withstand high temperatures, pressure and vibrations, all while maintaining superior performance and resilience. This dedication to excellence is ingrained in the company's DNA, with constant research and development efforts, at the back of a vigilant quality management system that sets it apart from its competitors in across the globe.

It's no wonder that Aeroflex Industries has earned a reputation as a major contributor in the export markets. Its export success speaks to the company's sterling reputation and the popularity of its offerings, including a comprehensive line of authentic stainless steel hoses in various grades built to meet the highest international standards. Furthermore, its stainless steel corrugated flexible hoses conform to BS 6501 part-1 and are available in type A, B, C type flexibility, making them ideal for a wide range of industrial applications. Notably, owing to the stainless steel material, Aeroflex's products are considered to be food-grade hoses, and are widely used in pharmaceutical and other food-related industries.



Our Vision

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



Our Mission

To excel and become a world leader in the field of flexible flow solutions by offering total customer satisfaction.



Our Purpose

Commitment to Excellence.

Geographical footprint 80+ countries

Proven success as a 2-star export house with a remarkable 80%+ of sales generated from exports, firmly establishing Aeroflex Industries as a global brand.

Manufacturing facility

Aeroflex's facility located in Talaja, Navi Mumbai, spans over 8.2 acres, setting new standards for innovation and advanced manufacturing in the industry.

A Great Place to Work-Certified™ organization.

Aeroflex Industries, has created a great place to work for all its employees by excelling on the 5 dimensions of a High-trust, High-performance Culture™- Credibility, Respect, Fairness, Pride and Camaraderie.

Unmatched range of high-quality flow solutions

Vast repertoire of
1,700+ SKUs

Comprehensive range of
flexible flow solutions ranging
from ¼" to 14"

Products
under R&D
57

Diverse product range includes:

- Corrugated stainless steel hose
- Double interlock flexible metal hoses
- Composite hose
- Stainless steel hose assemblies

KEY GROUP ENTITIES: AEROFLEX INDUSTRIES LIMITED (CONT.)

The Aeroflex team
351 skilled professionals

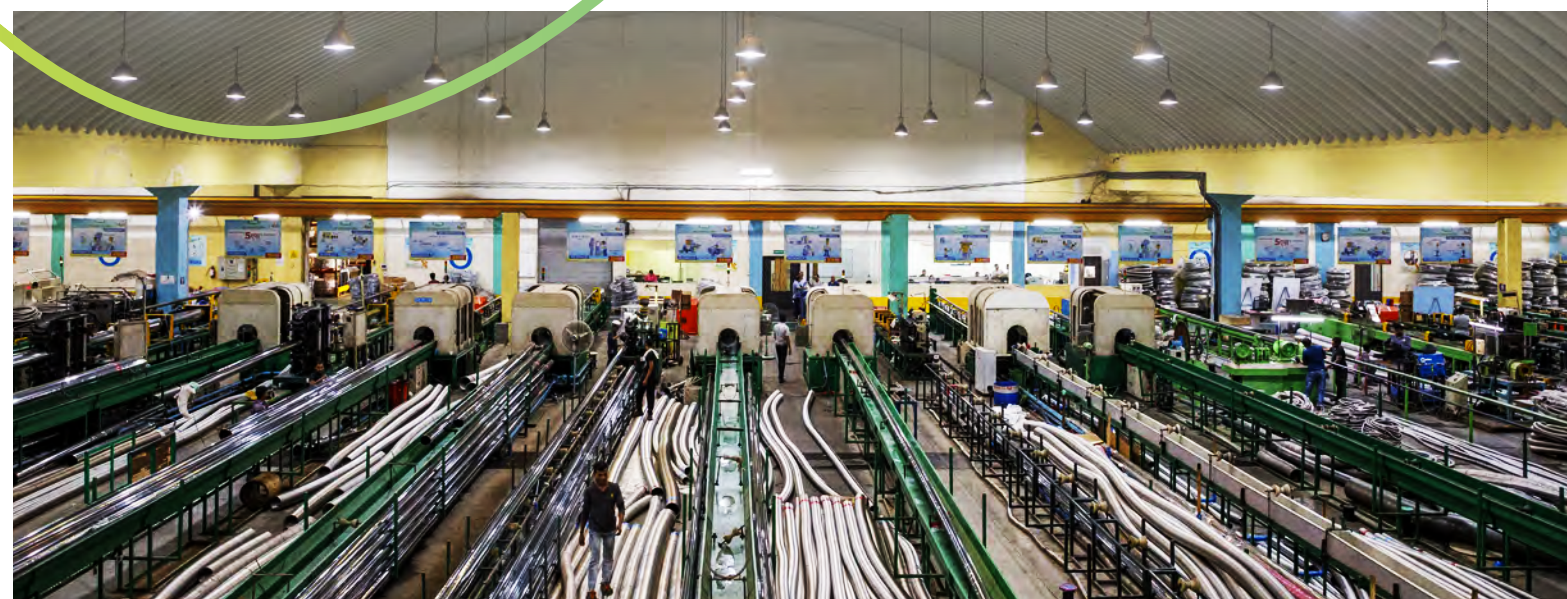
NABL certified R&D
laboratory

Application Industries

● Current ● Emerging

Fire Sprinklers | HVAC | Natural Gas | Steel and Metal | Petrochemicals and Oil Refineries | Bulk Terminal Handling | Chemicals | Food and Pharmaceuticals | Paper and Pulp

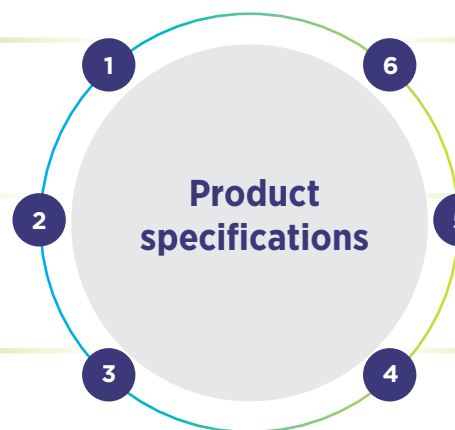
Aerospace and Defence | Semiconductors | Robotics and Automation | Hydrogen | Electric Mobility | Solar



A wide range of hoses in sizes ranging from ¼" to upto 14".

Hoses are available in SS304, SS316, SS321 & SS316L material grades with wire braiding of SS304L, SS321, SS316.

Hydro-formed hoses are offered in the size range of DN20 (¾") to DN350 (14") and mechanically-formed hoses in the size range of DN (¼") to DN50 (2").



Aeroflex also offers stainless steel hose assemblies, welding sleeves, different types of fittings, and couplings, as per customer requirements.

Hoses can be supplied with or without braiding coils of 25-50 metres, or in drums for longer lengths.

The working temperature range for metal hoses ranges from -196 °C degrees to +982 °C degrees, making them highly durable and suitable for extreme conditions.

Quality control

Aeroflex Industries places a strong emphasis on quality assurance, ensuring that every stage of production is constantly monitored by qualified QC Engineers. Its in-house testing facilities allow them to conduct various tests, including:



LEAKAGE
TEST



ULTRASONIC
TEST



VACUUM
TEST



LEAK
TIGHTNESS
TEST



PRESSURE
RESISTANCE
TEST



ELONGATION
TEST



BURST
TEST



PLIABLE OR
STATIC BEND
TEST



ELECTRICAL
CONDUCTIVITY TEST
AND NON-VOLATILE
RESIDUE TEST



FATIGUE
TESTS OR
U-BEND TEST



CANTILEVER
BEND TEST

Before dispatch, each hose assembly undergoes hydraulic testing at 1.5 times working pressure, with pneumatic testing carried out if necessary. Aeroflex Industries conducts rigid inspections on all raw materials used in hose manufacturing to guarantee the highest quality standards, ensuring consistent quality across all products.

The company is approved by 'LLOYDS REGISTER', confirming that its hoses meet the specification of BS-6501 part-1 2004. With its commitment to quality assurance, impeccable service, and technical assistance, Aeroflex Industries Limited builds strong relationships with its customers.

A customer & people first organisation:

Aeroflex Industries' ethos of excellence is underscored by its unwavering people-first approach. Each employee is regarded as a unique individual, and their worth is recognised through dignity and appreciation of their contributions. Aeroflex is committed to ensuring that all its employees enjoy equal opportunities for personal growth and professional advancement, empowering them to achieve their fullest potential.

Customer satisfaction is at the heart of Aeroflex Industries' operations, and the company endeavours to deliver highest-quality products with promptness to ensure that the goal is met. The company further extends this same philosophy to its suppliers and business associates, providing them with equitable and reasonable opportunities.



Note: Please refer to the disclaimer on page 39 w.r.t to Aeroflex Industries Limited.



KEY GROUP ENTITIES: SAH POLYMERS LIMITED

REDEFINING BULK PACKAGING SOLUTIONS

In a world where packaging plays an increasingly important role in supply chain management, logistics efficiency, and sustainability initiatives, Sah Polymers has been a shining star. The company is now synonymous with excellence and innovation in its field, having redefined what it means to create bulk packaging solutions that meet the emerging needs of clients and user industries.

The story of Sah Polymers began over 30 years ago with a singular mission: to become the one stop solution for all packaging requirements. With relentless determination to revolutionise the bulk packaging market, coupled with an unwavering commitment to quality, the company has emerged as one of the leading players in the industry.

From Flexible Intermediate Bulk Containers (FIBCs), Polypropylene (PP)/High Density Polyethylene(HDPE) bags, PP/HDPE Woven Fabric and other technical textile products of various weights, size and colours. Sah Polymers has carved a niche for itself by constantly delivering customised solutions that optimise package-to-product ratio, reduce logistical expenses, and make freight handling more efficient. In addition to all this, the solutions are also increasingly becoming eco-friendly, thus contributing towards sustainability goals of its own as well as its clients' operations.

Guided by the principles of quality and exceptional customer service, the company is steadfast on its journey to meet the unique demands of its clients and evolving requirements of the industry. By constantly striving for technical skill upgrades and state-of-the-art infrastructure, the Company has been able to deliver an impressive range of products, while maintaining the highest quality standards.



A new chapter

As we turn the page to a new chapter, Sah Polymers stands at the cusp of a groundbreaking journey. With the successful launch of its IPO in FY23, the company is poised to take bold strides towards growth, expansion, and unbridled innovation. As a result of going public, Sah Polymers is now geared with a strengthened capital structure, and means to transform its vision into a tangible reality.

The company takes great pride in being a force of empowerment, wherein it leverages on its expertise to help its customers make informed decisions, and thus create a sustainable future for generations to come. At Sah Polymers, the future is now, and it's proud to lead the charge towards a better tomorrow.

Sah Polymers at a glance

Years of experience 30+		State-of-art facilities 2	
Export presence 28 countries including USA, UK, France, Italy and many more		Revenue generated from exports 68%	Aggregate manufacturing capacity 7,920 MTPA
Accreditations & certifications			
Certificate of Import-Export Code (IEC)		ISO 9001:2015 certificate	Star Export House Certificate

KEY GROUP ENTITIES: SAH POLYMERS LIMITED

Driving growth



EXPANSION OF MANUFACTURING INFRASTRUCTURE

Sah Polymers has made judicious investments to improve and expand its manufacturing infrastructure over the years, including the establishment of a new facility in Modi, Udaipur spanning 16,000 sq. mt. to manufacture various higher capacity FIBCs. Resultantly, this is likely to expand its existing customer base and scale of operations.



NURTURED RELATIONSHIPS

The company has fostered a strong network of sustained relationships with major industry players, including its association with IOCL as a authorised Del Credere Associate. This can be attributed to years of goodwill, owing to its focus on quality and customer services.



DYNAMIC MANAGEMENT

The company's dynamic management consists of seasoned personnel, who bring unrivalled expertise to the table. This leadership team has a proven track record of fostering sustainable growth and implementing innovative and prudent strategies that keep the company ahead of the curve.



STRONG TECHNOLOGICAL PROWESS

Sah Polymers relentlessly pursues technological advancements to maximise asset productivity through cutting-edge in-house capabilities. Its unwavering focus on high-tech innovations enables the company to develop new products and optimise the manufacturing process, all of which culminates into superior efficiency, affordable pricing, and enhanced output.



KEY INDUSTRIES CATERED



Agro Pesticides



Basic Drug



Cement



Chemical



Fertilizer



Food Products



Textile



Ceramic

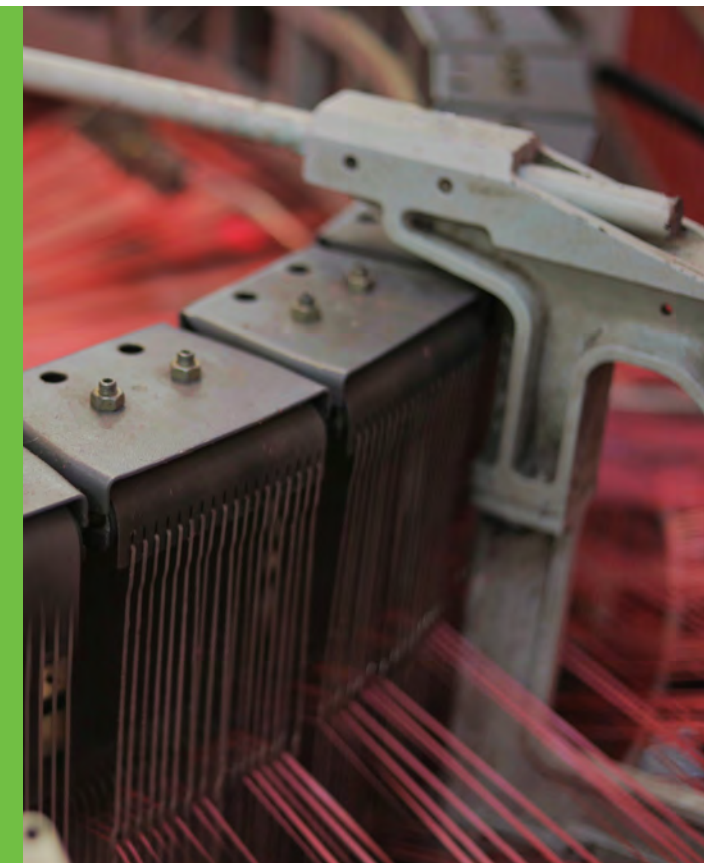


Steel

Quality-first approach

Sah Polymers sets the bar high when it comes to quality control, ensuring that their products meet the highest standards of excellence at every stage of the production process. From the procurement of raw materials to the final packaging stage, the company's dedicated QC team remains constantly vigilant, performing continuous quality checks and taking swift action to resolve any issue that may arise.

To ensure the accuracy and precision of its quality control measures, Sah Polymers employs a range of cutting-edge instruments, including the Universal Tensile Tester (UTM), Dial Gauge Meter, Micrometer, GSM Cutter, Wrap Reel, Water-bath, Delamination, Muffle Furnace, Hot Air Oven, Environmental Condition Simulation Chamber, Electronic Balance, and more. This sophisticated equipment enables the company to maintain the highest level of quality control, ensuring that its products consistently exceed the expectations of the company's discerning clientele.



STARTUP INVESTMENT PORTFOLIO

SEEDING THE FUTURE

The Indian startup ecosystem is experiencing a meteoric rise, fueled by India's entrepreneurial spirit and the government's initiative to build a strong foundation for nurturing innovation and encouraging private investments. With India being the 3rd largest startup ecosystem in the world, after the USA and China, the opportunities are endless. SAT Industries is committed to fostering the spirit of entrepreneurship by actively investing in disruptive and innovative business models.

It's said that 'early bird catches the worm', and SAT Industries is ahead of the curve, investing (through itself and its subsidiaries) in seed and early-stage startups with high potential for scaling.

We, at SAT have built a diverse investment portfolio, spanning across 35+ sectors, with a total of 125+ startups being invested in, as of the last financial year. The Group's focus on visionary and strategically aligned startups led to 30 investments in FY23.

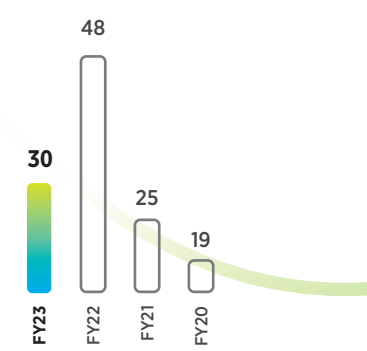
These investments have been chosen with a keen focus on their potential for positive impact on the society. By investing in seed and pre-seed stages, the Company has become a crucial partner in the growth journey of these startups. Additionally, we have made investments in Angel and VC funds, such as 9Unicorn, India Quotient, Artha, Beams Fintech Fund, etc. These funds, in turn, serve as a conduit for investing in various startups, further deepening our roots in the startup ecosystem.

With the help of efficient analysis and thorough due diligence, the Group stepped in FY23 with the aim of investing in 30 to 40 startups. As FY23 closes, SAT Industries remains steadfast in their commitment to partner with startups that exhibit a strong vision and strategic alignment. Keeping in line with this vision, the management had set its sights on a few investee companies maturing as successful exits in coming years, resulting in a healthy return on the initial investment. As we look back on the year gone by, it is with pride that we can say that SAT Industries has remained true to its commitment to growth and development of the startup ecosystem.

The Company's drive to expand its investment portfolio is boundless, and there is no end in sight to its pursuit of identifying and partnering with visionary entrepreneurs. With ambitious plans to expand its total investments to encompass over 500 promising startups by the closing of FY26, SAT is determined to continue its robust growth trajectory.



STARTUPS INVESTED IN (#)



KEY SECTORS INVESTED IN

FoodTech	IoT
EdtTech	EV
E-commerce	Robotics
Hyper-local services	Engineering
Fintech	Space Tech
D2C	Food Tech
Web3 & Blockchain	AgriTech
SaaS	Robotics
	Gaming

NOTEWORTHY INVESTEE COMPANIES

Rare Planet	
Eduvanz	
LenDen Club	
Inc42	
Chargezone	
Agnikul	
GalaxEye	

KEY FUND INVESTMENTS

India Quotient Fund	
Artha Venture Fund	
9 Unicorn Fund	
Beams Fintech Fund	
BlinC Fund II	



Successful Startups Exits

NAME OF THE COMPANY	INVESTMENT YEAR	EXIT YEAR	ROI
Stay Vista Private Limited	2016	2023	25.35%
GetupForChange Services Private Limited	2015	2023	17.86%
SS Maser Technology Private Limited	2015	2022	18.86%
Confirm Ticket Online Solution Private Limited	2015	2021	35.41%
Ketto Online Ventures Private Limited	2015	2021	30.95%
Eduvanz Financing Private Limited	2017	2020	48.53%
Zed Lifestyle Private Limited (Beardo)	2016	2017	68.20%
Absentia Virtual Reality Private Limited	2016	2020	20.12%

FORAY INTO STAINLESS STEEL WIRE RODS

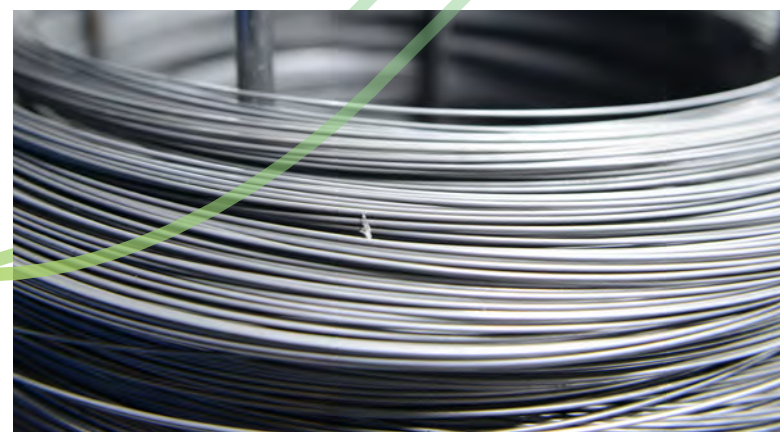
WIRED FOR SUCCESS

As opposed to many of its ventures, SAT Industries is not just an anchor stakeholder, but a player in the game with its own operations under the parent Company. With a tenacious spirit and a hunger for expansion, SAT Industries has taken the leap into the production of stainless steel wire rods- a new avenue that promises to be both lucrative and challenging.

We, at SAT are proud to announce our recent foray into the manufacturing of stainless steel wire rods. We are making SS wire rods that are then converted into various other products by the customers. The Company is rapidly moving to become one of the key players in this sector.

SAT Industries is currently working on a contract manufacturing arrangement for this venture, where SS wire rods are made from recyclable pellets. This approach ensures that SAT Industries can maintain a strong focus on expanding operations early in a capital-efficient way, while ultimately moving into manufacturing itself.

Despite its recent foray, the Company has carved out a niche for itself and is boldly moving forward with its foundation rooted deep in its commitment to excellence and goodwill built over years.



These wire rods are highly customisable and are available in various specifications to cater to a wider range of customers, spanning industries.

DRIVEN

In a world, where achieving excellence is of crucial importance, being driven is the key to unlocking limitless potential. At SAT Industries, we are unapologetically driven to excel and push the boundaries of innovation, constantly seeking newer heights of success. As we embark on this journey, we invite all our stakeholders to join us on a path that is both challenging yet rewarding, where every step we take is guided by our unwavering commitment to excellence. Every aspect of our operation, from strategic priorities redefining the business landscape to CSR initiatives shaping the world, and our relentless focus on risk mitigation for stability and growth, is driven by a singular purpose - excellence.

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Letter to Shareholders

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Strategic Priorities

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Board of Directors

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Key Performance Indicators

LETTER TO SHAREHOLDERS

PROGRESSING ON OUR STRATEGIC PRIORITIES



“We are truly grateful for the faith investors have reposed in our subsidiary, and our employees, customers, and all other stakeholders who have supported us in our journey leading up to the IPO. Subsequently, shortly after the IPO, we commissioned a new manufacturing facility in Modi, Udaipur, effectively doubling our cumulative production capacity to 7,920 MTPA.

We have successfully filed the DRHP of Aeroflex Industries, and are gearing for the launch of its IPO in the current financial year.

Dear Shareholders,

I hope this letter finds you in good health and high spirits. It gives me great pleasure to share with you the highlights of what has been a monumental year for our company, SAT Industries. We have made significant progress on many of our strategic priorities, as laid out in the previous year’s annual report.

A better capitalised Sah Polymers Limited

First and foremost, I am thrilled to announce that we successfully closed the Initial Public Offering (IPO) of our bulk packaging venture, Sah Polymers Limited. The response from investors was overwhelming, with the IPO being oversubscribed by a staggering 17 times. This achievement has not only provided Sah Polymers with the necessary capital to fuel its next phase of growth but has also reflected the confidence and trust investors have in our subsidiary. We are truly grateful for the faith investors have reposed in our subsidiary, and our employees, customers, and all other stakeholders who have supported us in our journey leading up to the IPO. Subsequently, shortly after the IPO, we commissioned a new manufacturing facility in Modi, Udaipur, effectively doubling our cumulative production capacity to 7,920 MTPA. I am proud to communicate that despite all the challenges posed by the macroeconomic landscape over the last year, including a war, spike in commodity prices, and tepid economic outlook from Europe which is an important market for us, Sah Polymers have reached new milestones over the last year and is better prepared than ever to take on the next set of opportunities.

Continued thrust on startup investment

SAT Industries has continued with the thrust on its startup investments during the year, which has yielded positive results for the Company. While the startup ecosystem is experiencing a funding winter on account of global slowdown and global liquidity tightening, we have remained steadfast in backing new startups, and sticking to our investment philosophy of backing pre-seed or seed-stage startups leveraging technology to disrupt traditional business models. During FY23, we made 30 such investments and successfully exited two investments.

Our focus remains on funding innovative business models that have the potential to disrupt conventional businesses, and partnering with them early on, so that we become an indispensable part of their journey. We continue to actively seek out promising opportunities in domains such as FoodTech, EdTech, E-Commerce, Hyper-local services, VR products, AI enabled platforms, among others; as we believe in the potential of these ideas to deliver outsized value for our stakeholders.

Gearing for the next leg in Aeroflex Industries’ journey

Aeroflex Industries, our flexible flow solutions business, has also shown remarkable progress since our previous annual report. Despite the challenging external environment, exacerbated by global geopolitical crises such as the Russia-Ukraine crisis and subsequent rise in raw material prices, Aeroflex has demonstrated resilience in its performance during FY23. Furthermore, we have initiated the process of filing for its IPO, aligning with our strategy of making our individual entities more self-sufficient, well-capitalized, and decentralized while upholding the core values of our group. We are gearing for the launch of Aeroflex Industries’ IPO in the current financial year.

Foray into Wire Rods

In line with our pursuit of growth opportunities, we have decided to enter the manufacturing of stainless steel wire rods from billets on a standalone level. We have swiftly ramped up operations in this area, with a focus on expanding in a capital-efficient manner. These wire rods are highly customisable and being delivered as per our customers’ specifications to cater to a wide range of industries & applications. Ultimately, our aim is to establish ourselves as a manufacturer in this segment. This venture represents our second standalone business vertical, in addition to our investments in startups, diversifying our revenue streams and positioning us for sustained growth.

Strategic growth opportunities

Moreover, we remain amenable to actively seeking strategic M&A transactions. Our approach is characterized by an aggressive yet prudent and calibrated strategy, as we strive for sustainable growth. Currently, we are exploring strategic partnerships for our bulk packaging arm Sah Polymers and flexible flow solutions venture Aeroflex Industries, both in India and abroad. These strategic collaborations will further enhance our capabilities, capacities and broaden our market reach.



The response from investors was overwhelming, with the IPO being oversubscribed by a staggering 17 times. This achievement has not only provided Sah Polymers with the necessary capital to fuel its next phase of growth but has also reflected the confidence and trust investors have in our subsidiary.

Looking ahead, we will continue to follow our well-balanced business model approach, which combines merits of cash-flow generating businesses, both at the subsidiary and standalone levels, with exponential growth opportunities through our startup investment portfolio. We are confident that this approach will lead to increased resilience and preparedness for the future across all our entities and businesses, while allowing us to deliver value to our shareholders. As a whole, SAT Industries represents greater value than the sum of all its parts.

In conclusion, I would like to express my gratitude to all our shareholders for your unwavering support. It is your trust and confidence that have enabled us to achieve these remarkable milestones. I extend my appreciation to our dedicated employees, whose hard work and commitment have been instrumental in our success. As we move forward, we remain optimistic about the future and are committed to creating sustainable value for all our stakeholders.

Thank you once again for your continued support.

HARIKANT TURGALIA
CFO & Whole-Time Director

STRATEGIC PRIORITIES

ILLUMINATING THE WAY FORWARD: OUR STRATEGIC DIRECTION

Navigating through the intricate web of diverse businesses holdings is no mean feat. It takes a wise hand at the helm, a clear direction to steer towards, and a well-planned route to follow. At SAT, we believe that every ship in our fleet must sail towards a common North Star, imbued with our core values and guiding principles. We ensure that our businesses march forward with their heads held high, propelled by a shared sense of purpose. It is with our strategic roadmap that we steer the course towards excellence.



ADVANCING CORE BUSINESSES FOR SUSTAINABLE GROWTH

As SAT Industries continues on its path of growth and expansion, the Company remains dedicated to exploring both organic and inorganic growth strategies to cement its position within the industry. With its core businesses, Aeroflex Industries and Sah Polymers, spearheading expansion plans to excel in their respective domains, SAT is committed to driving the expansion of its core cash flow generating businesses. Furthermore, SAT Industries empowers all of its businesses to pursue their growth objectives at their own pace, providing a stable foundation for long-term success.

In recent news, Sah Polymers successfully launched its IPO in FY23, marking a significant milestone for the Company and its shareholders. While Aeroflex Industries is gearing for an IPO in FY24. Post their respective listings, both Companies will be better capitalised and geared to deliver on their growth ambitions. Collectively, SAT Industries continues to excel and remains dedicated to delivering long-term value to all its stakeholders.



DIFFERENTIATED SOLUTIONS FOR COMPETITIVE ADVANTAGE

SAT Industries and its group companies are driven by a common vision to stand out from the crowd by delivering high quality products, tailored solutions that meet the specific needs of their customer base across industries, and championing niches in their respective fields. This approach enables the Group to create unique value for its clients, while unlocking new avenues for growth and profitability.

Aeroflex Industries and Sah Polymers, the flagship entities of SAT, are leveraging their expertise, at the back of superior customer understanding and attention to market insights to develop cutting-edge niche products that cater to emerging manufacturing sectors. While Aeroflex focuses on delivering superior quality products, Sah Polymers is committed to building higher-capacity and custom bulk packaging solutions, both of which reflect the unswerving focus on innovation and customer satisfaction. Further, Sah Polymers is actively working on furthering the cause of sustainable packaging with its range of reclaim products for export markets.



FACILITATING INDEPENDENT GROWTH

At SAT Industries, we recognise the importance of a decentralised structure that empowers our businesses to operate with agility and independence, while maintaining a cohesive oversight. As a part of our strategic priority, we aim to establish individual business entities that will get listed on stock exchanges upon maturing. Through this, SAT Industries strives to enhance transparency, governance and investor confidence, all of which are essential for scaling up and unlocking value for stakeholders. Post the successful listing of Sah Polymers, the Company is gearing for Aeroflex Industries IPO in FY24.



SEEDING GROWTH TO CULTIVATE THE FUTURE

As a forward thinking conglomerate, SAT Industries recognises the importance of investing in the next generation of innovative startups. By strategically allocating surplus capital towards a curated portfolio of high-growth startups, the Company is committed to delivering outsized returns to its stakeholders, while nurturing the potential of tomorrow. SAT plans to invest in at least 30 to 40 investments in FY24, adding to its already impressive base of 125+ startup investments as of FY23. With a planned annual capital outlay of ₹12 to ₹15 crores, the Company is able to provide critical seed funding ranging from ₹10 lakhs to ₹2 crores on a case-by-case basis. Through this initiative, SAT Industries aims to curate a well-diversified and high-potential portfolio of 500 startups by FY26, nurturing and shaping the future of emerging industries.



MAXIMISING RETURNS THROUGH STRATEGIC EXITS

SAT Industries' keen eye for investment opportunities lends itself into recognising the right time to exit from promising startups, in the previous year the Company exited 3 such startups. This further enables the Group to maximise returns for its stakeholders. In FY24 and beyond, SAT will continue to leverage its expertise to successfully exit maturing startups, while actively seeking out new and exciting investment prospects to add to its portfolio.



DNA OF VALUE CREATION

At the heart of SAT Industries, lies a commitment to generating long-term, sustainable value for all stakeholders. This guiding principle drives every decision the Company makes, from its investments in high-growth startups to its strategic expansion into cash-generating businesses. By taking a balanced approach to growth and value creation, SAT Industries aims to be a catalyst for inclusive economic development, fostering innovation, and entrepreneurship while delivering exceptional return for its shareholders. Ultimately, the goal is to create a well-diversified, forward-looking portfolio of businesses that contribute to a brighter, more prosperous future for all.

BOARD OF DIRECTORS

STITCHING SUCCESS: MEET THE VISIONARIES OF SAT

With years of experience, diverse backgrounds, and a shared passion for pushing the boundaries of what’s possible, they are driven to lead our Company towards groundbreaking achievements. Our Board of Directors weaves a tapestry of drive for growth, innovation and expertise.



Mr. Asad Daud
Non-Executive Director

Mr. Asad brings to the table a vast experience of more than 13 years in the manufacturing industry. His expertise in management and operations is crucial in shaping the growth trajectory of the Company. He is also the driving force behind the innovation, and expansion initiatives of the organisation, committed to furthering its capabilities.

Mr. Asad is an alumnus of the prestigious London School of Economics and Political Science, having pursued an M.Sc. degree in Accounting & Finance. Further, he has completed Executive Education courses from IIM Bangalore and ISB Hyderabad. He has a vision to turn ideas into successful ventures which has a significant impact on the industry and the broader economy. He is a strategic thinker who possesses a unique combination of intellect, creativity, and business acumen.



Mrs. Shehnaz D. Ali
Whole-Time Director

Mrs. Ali’s business acumen spans over 21 years, encompassing a diverse range of industries. As an Whole-Time Director at SAT Industries, she plays a pivotal role in driving the Company’s startup investments and spearheading its corporate social responsibility initiatives. A Bachelor of Science graduate from the prestigious University of Rajasthan, Mrs. Ali is a passionate advocate for innovation and sustainability, and her insightful contributions to the boardroom have been instrumental in shaping SAT’s strategic directions.



Mr. Harikant Turgalia
CFO & Whole-Time Director

Endowed with a wealth of experience spanning over 35 years across diverse domains, such as manufacturing, trading, and finance, Mr. Turgalia assumes the mantle of financial and management responsibilities at SAT Industries. His extensive knowledge and proficiency in these areas, backed by a Bachelor’s degree in Commerce from the prestigious University of Udaipur, has been crucial in steering the Company towards triumph.

● Chairman	A Audit Committee	S Stakeholder Grievances Committee
○ Member	N Nomination Committee	C Corporate Social Responsibility Committee



Mr. Ramesh Chandra Soni
Non-Executive & Independent Director

Bringing in over 37 years of comprehensive expertise in the areas of accounts, finance, banking, and taxation, Mr. Soni is an invaluable asset to the SAT Industries board. As a practicing Chartered Accountant and a fellow member of the Institute of Chartered Accountants of India, he has provided invaluable contributions towards financial and secretarial matters of the Company.



Mr. Parthasarathi Sarkar
Non-Executive & Independent Director

Mr. Sarkar, a distinguished Independent Director of the Company, he holds a B.Tech. (Hons) from IIT Delhi and an MBA from IIM Ahmedabad. With over 41 years of professional expertise in Finance & Investment Banking, Mr. Sarkar’s contributions to SAT Industries have been invaluable. Having served as the Managing Director of Tata Finance Limited and having worked with Tata Administrative Services, where he closely collaborated with Mr. Ratan Tata, his experience in the industry is unparalleled.



Mr. Arpit Khandelwal
Non-Executive & Independent Director

Mr. Arpit Khandelwal, a dynamic and enterprising professional, holds the qualifications of a Chartered Accountant and a Chartered Financial Analyst, and has been appointed as an Independent Director of our Company. With a wealth of experience spanning over 10 years in the fields of Banking, Technology, Treasury, Finance, and Risk Management, he brings expertise to bear in the areas of Risk Management, Corporate Laws, Indirect Taxes, and International Trade Laws.

KEY PERFORMANCE INDICATORS

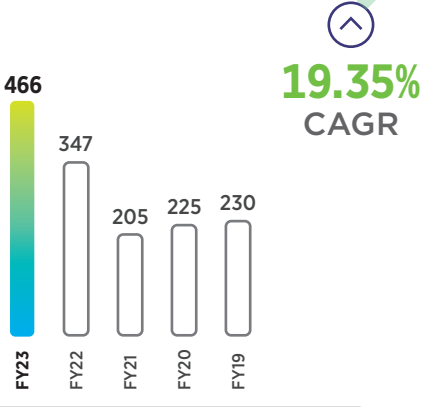
NUMBERS THAT COUNT

Welcome to our KPIs that provide a snapshot of our Company’s progress towards achieving its goals. As a data-driven organisation, we present the key metrics, which provides transparency and insights into how we have performed against our targets.



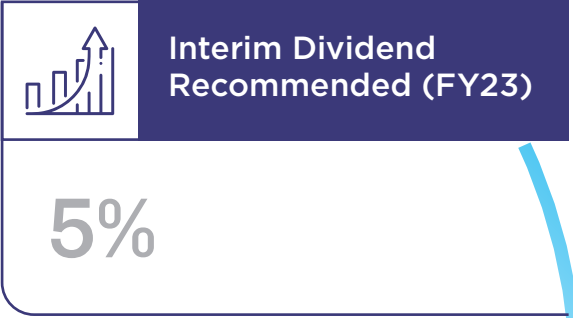
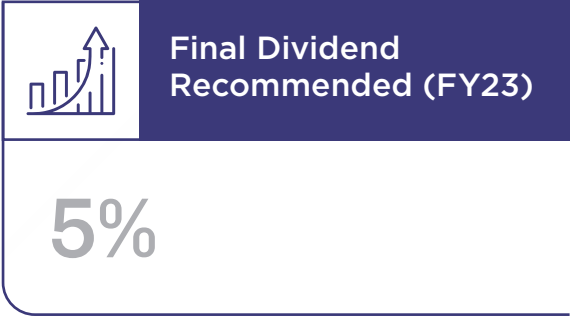
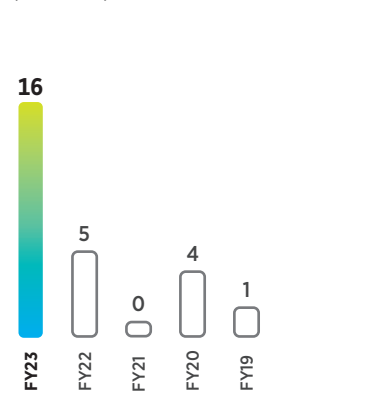
REVENUE FROM OPERATIONS

(₹ in crore)



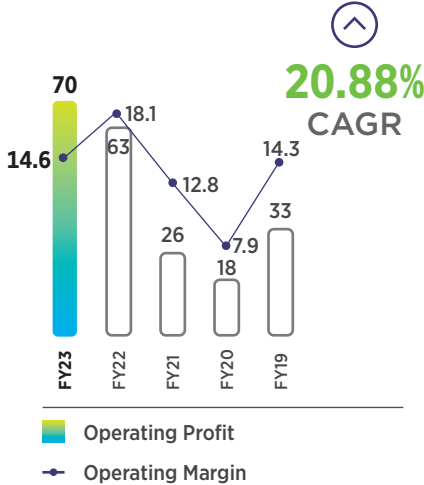
OTHER INCOME

(₹ in crore)



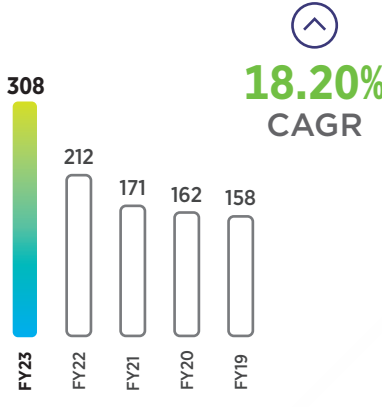
OPERATING PROFIT & MARGIN

(₹ in crore & in %)



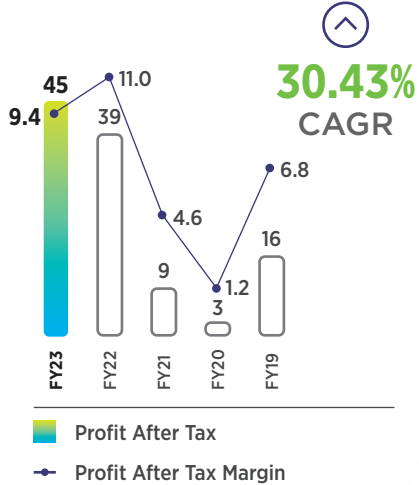
EQUITY

(₹ in crore)



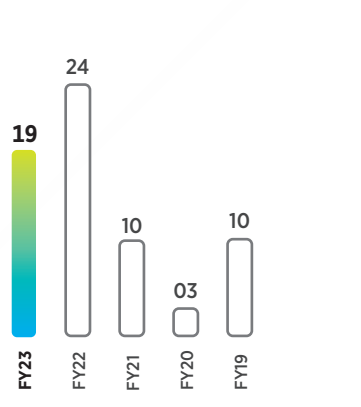
PROFIT AFTER TAX & MARGIN

(₹ in crore & in %)



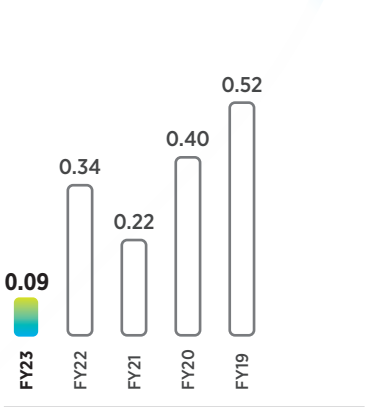
ROCE

(in %)



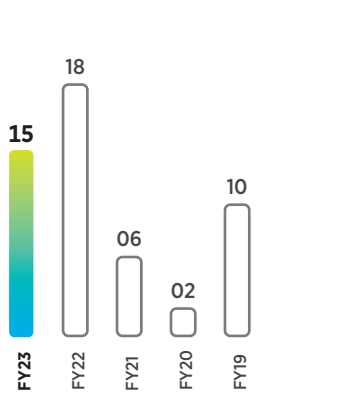
TOTAL DEBT TO EQUITY

(₹ in crore)



ROE

(in %)





MD&A

MANAGEMENT DISCUSSION & ANALYSIS

Economic overview

Global economy

The global economy in the past year has experienced both ups and downs due to various factors affecting economic growth. In 2022, global growth was estimated to be 3.4%, which is projected to fall to 2.9% in 2023 and then rise again to 3.1% in 2024. This is attributed to the rise in central bank rates to combat inflation and ongoing Russia-Ukraine conflict, which continue to impact economic activity across major economies like Europe. However, the recent reopening of economies has paved the way for a faster-than-expected recovery. As a result, global inflation is expected to fall from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024, but still above pre-pandemic levels of about 3.5%.



2.9%

In 2022, global growth was estimated to be 3.4%, which is projected to fall to 2.9% in 2023 and then rise again to 3.1% in 2024.

While the balance of risks remains tilted to the downside, the risks have moderated, with the possibility of a stronger boost from pent-up demand in numerous economies or a faster fall in inflation being plausible. Despite the positive projections, the rise in central bank rates to fight inflation, ongoing geopolitical conflicts, and the possibility of tighter global financing costs could worsen debt distress and financial markets could suddenly reprice in response to adverse inflation news. Therefore, in most economies, achieving sustained disinflation remains a priority, necessitating the deployment of macro-prudential tools and the strengthening of debt restructuring frameworks to maintain financial and debt stability.

In conclusion, the global economy is gradually recovering from the impact of the pandemic, with positive projections for inflation and growth in the coming years. However, the ongoing geopolitical and economic challenges continue to pose risks to the economy. To mitigate these risks, it is necessary to adopt effective measures, providing better-targeted fiscal support, and strengthening multilateral cooperation to preserve the gains from the rules-based multilateral system and achieve sustainable economic growth.

Indian economy

Following an 8.7% growth in FY22, the Indian economy has shown resilience in the face of global challenges and is expected to grow at a rate of 7% in real terms for FY2023. Despite the shocks of the COVID-19 pandemic, the Russian-Ukraine conflict, and central banks' policy rate hikes to curb inflation, India remains the fastest-growing major economy, owing to bolstered private consumption and capital formation, all of which have been the driving forces behind India's economic growth, leading to a rebound in production activity and higher capital expenditure.

Credit growth to the micro, small, and medium enterprises (MSME) sector has been remarkable, averaging over 30.5% during Jan-Nov 2022. Additionally, the strengthening of corporate balance sheets, well-capitalised public sector banks ready to increase credit supply, and the government's production-linked incentive schemes are expected to further support economic growth.

Additionally, the GOI's efforts to accelerate COVID-19 vaccinations have enabled people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, leading to an increase in private consumption. Furthermore, the return of migrant workers to cities to work in construction sites has led to a significant decline in housing market inventory, boosting capital formation. Despite the positive projections for growth, inflation remains a concern, with the Reserve Bank of India projecting headline inflation at 6.8% in FY23. In response, the government and RBI have taken measures to mitigate inflationary pressures, including macroprudential tools and strengthening debt restructuring frameworks to maintain financial and debt stability.



6.0-6.8%

India is expected to witness a GDP growth of 6.0-6.8%, supported by the expansion of public digital platforms and various path-breaking measures.

Looking ahead to 2023-24, India is expected to witness a GDP growth of 6.0-6.8%, supported by the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output. The Indian economy is well-positioned to continue on its growth trajectory, and private capex is expected to play a leadership role in job creation in the coming years.

Industry overview

Global stainless steel flexible hose market

The global market for stainless steel flexible hoses was valued at approximately USD 25 Bn in 2020, out of which the SS corrugated hose market is estimated to be at USD 12.5 Bn or 50% of the total SS flexible hose market. This is projected to grow at a CAGR of 7.5% and 6.3% respectively, over the coming decade, during the forecast period 2020-2030.

This growth can be attributed to the increasing demand for corrosion-resistant products, the growing need for energy conservation, and increasing industrialisation across different regions globally. The demand for SS flexible hoses is being driven by rapid urbanisation, which has accelerated the pace of infrastructure development and real estate construction. This, in turn, has triggered the demand for HVAC systems and translated into a promising outlook for SS flexible hoses. The flexible hoses segment is expected to dominate the stainless steel hose market throughout the forecast period due to their applications in various industries such as automotive, chemical, air conditioning & refrigeration, piping, and home appliances.

Moreover, large-scale industrialisation and modernisation in agriculture and key manufacturing sectors are fueling the demand for SS corrugated hoses. The piping industry accounts for the largest market share among all end-users, while Asia Pacific accounted for the largest share of the global stainless steel flexible hose market, followed by North America. In the coming years, Asia Pacific is expected to grow at the highest CAGR, driven by healthy economic growth in China and India.

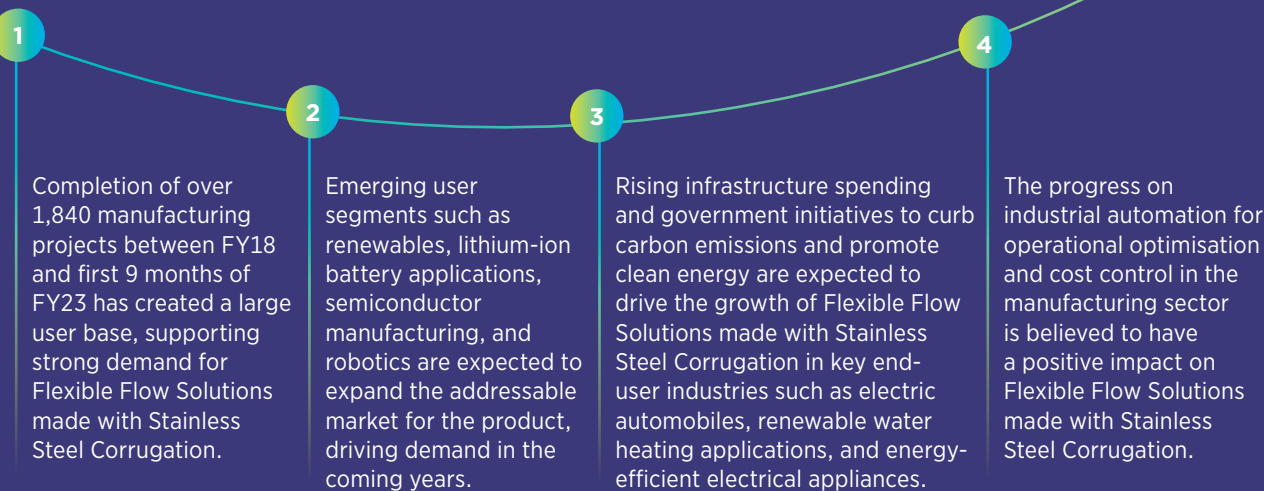
Overall, the promising outlook for the global stainless steel hose market is driven by favorable product attributes and increasing demand for corrosion-resistant and energy-efficient products. With the rapid pace of urbanisation and industrialisation, this market is poised for substantial growth in the coming years.

Source: Dun & Bradstreet

Growth drivers in the Indian stainless steel hose market:

The demand for flexible flow solutions made with stainless steel corrugation has been driven by the industrial sector and the burgeoning demand in heating, ventilation and air conditioning applications. However, the transition from traditional flexible hoses to flexible flow solutions made with SS corrugation has resulted in a favorable demand landscape for the product.

Some of the major growth drivers boosting the demand in the country are as follows:



Emergence of new application sectors

In the forthcoming years, there will be a growing demand from sectors that are either in their early stages or have yet to establish themselves in India. The emergence of these new user segments will significantly expand the addressable market for the product. Noteworthy sectors that will drive this new demand include renewables, primarily solar heating; applications of Lithium-Ion batteries, encompassing electric vehicles (EVs) as well as other battery applications; semiconductor manufacturing; and robotics.

Indian packaging industry

The Indian packaging industry is one of the fastest growing sectors in the country, and is currently one of the largest sectors in the Indian economy. The industry was valued at \$373.6 billion in 2021, and is likely to grow with a CAGR of 12.6% between 2022 and 2027. This can be attributed to the robust economic growth of the nation, coupled with the booming e-commerce sector. Despite this growth, the flexible packaging industry is expected to see a subdued revenue growth of 5% in FY23, owing to the volatility in raw material prices and lower realisation. However, the industry's capacity is expected to rise by 30%, by the end of FY23, with operating margins stabilising as the industry comes out of severe disruptions in supply chain, input costs volatility in post-Covid era.

The Indian government recognises the potential of the packaging industry and has released policies to further incentivise innovation and sustainability in the sector. These policies include the implementation of a single use plastic ban, a focus on recycling and biodegradability, and the adoption of the National Packaging Initiative. The packaging sector has a much wider exposure to other sectors of the economy, and the growth of these sectors in the coming decade will have a combined effect to take the packaging industry to new heights.

The Indian packaging industry is poised for growth, and with the right policies and initiatives in place, the sector will keep on fostering innovation and is expected to continue to be a major contributor to the nation's economy.

Global FIBC market

The global FIBC market is expected to show significant growth in the forecast period of 2022 to 2032, with a projected CAGR of 5.3%. This can be attributed to the increasing demand for lightweight containers and bulk packaging solutions, especially in industries such as food and pharmaceuticals. FIBCs are being increasingly used to transport products like grains, rice, and liquid chemicals used in biological products, further driving demand for the market.

Europe is the largest producer of FIBCs, accounting for a production market share of approximately 29%. Asia is the second largest producer, with a production market share of around 25%. On the other hand, North America is the largest consumer of FIBCs, with a consumption market share of almost 38%.

The FIBC market is expected to continue growing as manufacturers focus on introducing new, innovative, and lighter FIBC solutions. In addition, the growing demand for cost-effective and sustainable bulk packaging solutions is expected to fuel market growth in the coming years. The market is also expected to witness increased demand from various end-use industries such as agriculture, chemicals, and construction, among others, which will further drive market growth.

Leading end-use segments

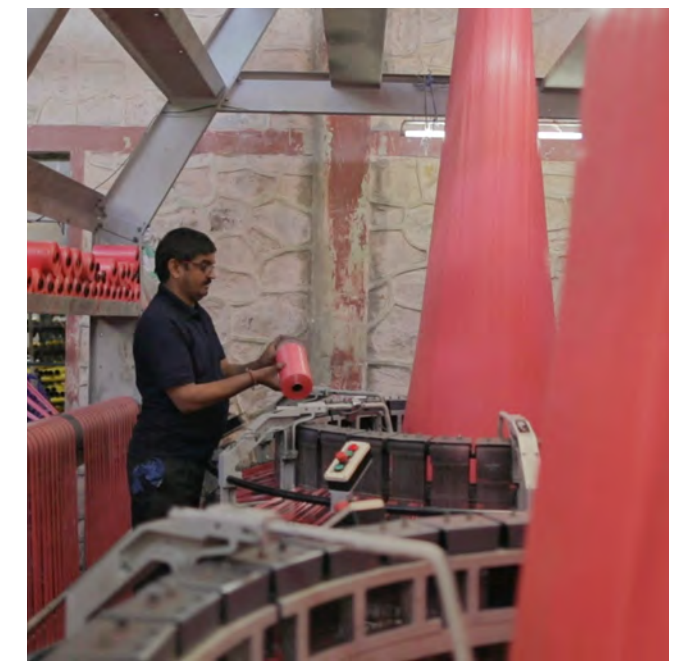
- The chemicals and fertilisers sector is anticipated to dominate the global FIBC market, in terms of end-use applications.
- Sales of FIBC in this industry is likely to grow at a CAGR of 5.8% in the global market.

Indian FIBC market

Over the last decade, the FIBC market in India has grown by an impressive 38%, according to the FIBC Association. This growth is largely attributed to the increasing demand for food grade FIBC, which has been experiencing prominent growth rates. In 2021, FIBC production in India reached 306,996 MT, with food grade FIBC accounting for nearly 28% of the total production.

The Indian FIBC market has seen a significant increase in total export sales, which have tripled in the past decade and reached \$708.5 million in FY21. This growth is driven by the expansion of various industries, such as food products & agriculture, pharmaceutical products, and chemicals and fertilisers, which have experienced substantial industrialisation. This is largely due to increased international commerce and several favourable measures by the Indian Government, including Make in India initiatives and industry-specific incentives, which have boosted the establishment of numerous manufacturing enterprises in India.

As a result of this growth, the demand for FIBC for effective storage and transportation of goods is surging, particularly among these end-user industries. With the Indian Government's continued support for industrialisation and trade activities, the Indian FIBC market is expected to continue its growth trajectory in the coming years.



Indian startup ecosystem

India's startup ecosystem has grown significantly over the past decade, propelled by digital technologies and a rising number of young entrepreneurs. Despite macroeconomic concerns and a challenging funding environment, the ecosystem continues to thrive, with nearly 14,000 new startups joining the ranks across 555 districts in fiscal year 2022. Indian startups raised a cumulative \$24 billion across 1,021 deals in 2022, with investments into the ecosystem more than twice that of 2020 and 2019, although 33% lower than the hyper-funding cycle of 2021.

With the third-largest startup ecosystem in the world, India is poised to become a global entrepreneurial hub, particularly in sunrise sectors such as green energy, health tech, deep tech, and clean mobility. These sectors present significant growth opportunities and can help drive the country's economic progress. In addition, the government has implemented initiatives such as the Startup India program, Atal Innovation Mission, and Production-Linked Incentive schemes (PLI) to support the success and growth of startups.

As of February 2023, India has nearly 27,000 active tech startups, with 1,300 added in fiscal year 2023. These startups are diverse, encompassing domains ranging from health and climate tech to clean energy and deep tech. They have the potential to create innovative solutions and new business models that can address critical issues such as environmental degradation, depletion of natural resources, and social and economic inequalities, making sustainable development a key focus for the ecosystem.

However, while significant progress has been made to boost the startup ecosystem, more needs to be done for India to fully realise its potential as a global entrepreneurial hub. The government can expand incentivisation schemes to fast-track the adoption of emerging technologies in other sectors, introduce policy frameworks to guide companies operating in upcoming sectors, and create dedicated funds and skill development programs to extend the startup wave to Tier 2, Tier 3, and rural areas. By doing so, Indian startups can help create a more sustainable future for all while driving economic growth and progress.



14,000 new startups

Indian startups raised a cumulative \$24 billion across 1,021 deals in 2022, with investments into the ecosystem more than twice that of 2020 and 2019, although 33% lower than the hyper-funding cycle of 2021.

Big numbers in the startup space:

Despite a 40% decline in funding activity compared to CY21, the **fintech sector still contributed nearly 20% to the total funding raised by Indian startups in CY22**

Seed-stage investments grew by **25-35%** in CY22, totaling **\$1.2 billion**

Tech startups in seed-stage secured **1,018 investments** in CY22

172 Indian climate-tech startups received funding in 2021, while **143 startups** in the sector received **\$2.2 billion** investment in 2022

Indian agritech companies raised **\$515 million** in CY22, across **49 deals**

Early-stage investments grew by **25-35%** in CY22, totaling **\$5.9 billion**

Non-unicorns received **66%** of total investments in CY22

CY22 witnessed **30% higher** corporate participation in investments compared to 2021

India added over **23 Unicorns** in CY22, the **second-highest number in the world**

Company overview

SAT Industries Limited is a trailblazing business entity and group with a 38-year legacy of cultivating disruptive and early-stage startups, while simultaneously flourishing in established industries such as flexible flow solutions, packaging materials, and wire rods. The innovative Company boasts a global presence, catering to clients in over 80 countries, with offices located in Mumbai, Dubai and London. SAT's well positioned, and strategically built business model strikes a perfect balance between core cash-flow generating businesses, and investments in high-growth startups to create a distinctive competitive edge.

Through its subsidiaries, Aeroflex Industries Limited and Sah Polymers Limited, SAT offers an impressive range of cutting-edge solutions to multiple industries across the globe. With its recent foray into wire rods manufacturing, the Company is rapidly emerging as one of the growing in the SS wire rods industry. Additionally, SAT actively invests in early-stage startups with innovative business models, having backed over 125 companies across 37 sectors such as food-tech, ed-tech, e-commerce, and digital media portals, among others.

As a sector-agnostic but strong investment-philosophy based angel investor, SAT continues to invest in pre-seed and seed stage startups, tracking their progress on a regular basis, and ultimately backing them to grow bigger for larger value creation for its stakeholders. SAT remains committed to its vision of driving growth and transformation through bold investments in conventional cash-flow generating businesses and disruptive new-age startups.

Financial Performance Discussion

The Company maintained resilient performance in FY23, despite various macro headwinds on account of geopolitical events, rising raw material prices, tightening global liquidity, among others. Revenue from Operations registered a 34.47% growth, reaching ₹ 466.24 Crores compared to ₹ 346.73 Crores in FY23. Operating Profits improved to ₹ 70 Crores as compared to ₹ 63 Crores in the previous year, an increase of 11% year on year. Profit after Taxes for the year stood at ₹ 45 Crores, as compared to ₹ 39 Crores in the previous year, registering an increase of 16% over the previous year.

Outlook

As the dawn of a new financial year breaks, SAT Industries' unrelenting focus on growth and innovation, both in its core businesses and high-growth startups, continues to pave the way for a bright future. Sah Polymers and Aeroflex Industries, the Group's flagship subsidiaries, are set to ride on a wave of significant growth opportunities, CAPEX projects in pipeline, and constant scouting for strategically placed inorganic growth opportunities.

Looking ahead, SAT Industries plans to double down on investments in its current sectors of interest while exploring new opportunities in sectors with promising growth potential.

Standalone Financial Ratios

Ratios		FY23	FY22	% Change
Current ratio	Current assets/ Current Liabilities	2.07	2.44	Increase in short term borrowings to meet temporary paucity of funds
Debt equity ratio	Total Debt/ Shareholder's Equity	0.29	0.25	Increase in borrowings mainly offset by improved shareholders' equity due to increase in profits
Debt Service Coverage ratio	EBITDA/ Debt Service	2.36	0.66	Increased in operating profit against lower debt obligations during the year.
Return on Equity	Net profit after taxes/ Average Shareholder's equity	6.31%	4.44%	Increase in profit realisation per rupee of equity investment
Inventory turnover ratio	Cost of Goods Sold/ Average Inventory	23.42	6.43	Improved turnaround of inventory holding period
Trade Receivables turnover ratio	Net credit sales/ Average Trade Receivable	17.86	8.55	Improvement in collection efforts
Trade payables turnover ratio	Net Credit purchase/ Average Trade Payables	14.95	6.75	Better credit terms negotiated
Net capital turnover ratio	Net Sales/Working capital	2.35	0.39	Efficient utilisation of available working capital by the management
Net profit Margin	Net profit/Net sales	6.92%	26.32%	Decrease in net margin due to venturing into stainless steel manufacturing business
Return on Capital employed	Earning before interest and taxes/ Capital Employed	8.89%	6.37%	Increase in profit realisation per rupee of investment
Return on investment	Income generated from investment/ Time weighted average investment	N.A.	N.A.	Not calculated as investments in startups are made with a long term view which do not give returns immediately. The same holds true for investments in subsidiary companies which are made with the purpose of acquisition of business.

Aeroflex Industries, in particular, is committed to staying at the forefront of technological advancements within its industry, focusing on emerging applications of its product portfolio, continuously designing and developing advanced products for critical applications in industries such as green energy, semiconductors, and aerospace. Meanwhile, Sah Polymers & Aeroflex Industries are actively exploring inorganic growth opportunities in India and abroad, with an aim to expand its product range and customer base. With a robust demand environment and strategic investments in place, the outlook for SAT Industries and all its group companies remains positive for the foreseeable future.

Internal control and adequacy

The Company places utmost emphasis on maintaining a robust system of internal control, which effectively safeguards its valuable assets against any unauthorised use or disposition. All transactions are duly authorised, meticulously recorded, and appropriately reported to ensure utmost transparency and accountability. The Company's unwavering commitment to deploying a highly effective mechanism ensures optimum and efficient utilisation of resources, seamless operations, diligent monitoring, and adherence to applicable laws.

Moreover, the auditors have expressed their unequivocal satisfaction with the Company's internal control systems, which are deemed to be both adequate and satisfactory. Such an unwavering commitment to upholding rigorous standards of financial and operational transparency testifies to the Company's unyielding dedication to maintaining its reputation as a responsible and trustworthy entity in the market.

Human resources development and industrial relations

At SAT Industries, the management is well aware of the pivotal role that human resources play in propelling the Company towards unprecedented success. Therefore, the Group has made considerable efforts to engage its employees in honing their skills and enriching their knowledge base.

To ensure its sustained growth and maintain its position in the market, SAT Industries has invested extensively in developing its brand value, with a view to attract and retain the finest talent in the industry.

The Company maintains a harmonious relationship with its employees, with employee relations continuing to be cordial and productive at all levels. As the business progresses, the management is resolute in cultivating an environment that is conducive to imaginative thinking, augmented productivity, and progressive advancement. As of March 31, 2023, SAT Industries boasts a workforce of 1,066 total people, including 531 permanent employees, spread across its diverse group of companies. The Group remains committed to nurturing its human resources, a critical enabler in its ongoing journey towards sustained success.

Risk & Risk Mitigation

The Company's risk mitigation policy encompasses a comprehensive approach to identify and assess risks throughout all levels of business operations while aligning with the organization's objectives. It includes diligent monitoring of risk response effectiveness in addressing strategic, operational, financial, and compliance risks. However, the company acknowledges the presence of significant uncertainties such as global events, geopolitical tensions such as the Russia-Ukraine conflict, global trade disputes, inflationary & increasing interest rate environment, fluctuations in commodity prices, and volatile foreign exchange movements.

Furthermore, the management maintains a vigilant oversight of domestic and international markets related to the Company's products and required raw materials. They also stay attuned to socio-economic changes worldwide and fluctuations in currency exchange rates to minimize risks. The Board is of the opinion that there are no risks that pose a threat to the company's existence. However, the Company proactively evaluates and mitigates risks typically encountered in the normal course of business, including economic risks, technological risks, fluctuations in foreign exchange rates, and raw material prices.



SAFETY RISK

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.

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. 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.



REGULATORY RISK

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.

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.



COMMODITY FLUCTUATION RISK

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.

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.



SUPPLY CHAIN RISK

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.

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.

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.



CREDIT RISK

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

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:

- 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.



INVESTMENT RISK

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

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.

Disclaimer :

"Aeroflex Industries Limited a material subsidiary of our Company has filed a Draft Red Herring Prospectus dated March 31, 2023 ("DRHP") with Securities and Exchange Board of India ("SEBI"). In connection to the same, investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the proposed offer of Aeroflex Industries Limited ("Issuer Subsidiary") unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the proposed Offer of the Issuer Subsidiary. For taking an investment decision, investors must rely on their own examination of the Issuer Subsidiary and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the DRHP. Specific attention of the investors is invited to chapter titled "Risk Factors" on page 37 of the DRHP.



DIRECTORS' REPORT

Report of the board of directors of **Sat Industries Limited** for the financial year ended 31st March, 2023.

To,
The Members,
Sat Industries Limited

Your Directors have pleasure in presenting their Thirty-Eighth (38th) 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 31st March, 2023.

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 2022-2023	For FY 2021-2022
Total Revenue	11,362.60	2,352.73
Profit before Tax, Interest, Depreciation and Exceptional Items	1,137.19	807.36
Less: Interest	197.85	139.89
Less: Depreciation	54.92	61.97
Profit before Tax and exceptional Items	884.42	605.50
Less: Tax Expense	141.06	101.76
Profit after Tax	743.36	503.74
Net Profit/(Loss) for the year	743.36	503.74

Consolidated

(₹ In lakhs)		
Particulars	For FY 2022-2023	For FY 2021-2022
Total Revenue	48,178.15	35,148.22
Profit before Tax and after exceptional items	5,829.59	5,026.72
Less: Tax Expense	1,323.71	1,156.07
Profit after Tax	4,505.88	3,870.65
Net Profit for the year after Shares of Profit/(Loss) of Associates and Minority Interest	4,280.16	3,554.38

2. STATE OF COMPANY'S AFFAIRS:

The Company is engaged in the business of general trading of merchandise, manufacturing of goods, leasing of assets and financing. The total standalone revenue of your Company for the year under review amounted to ₹ 11,362.60 lakhs against ₹ 2,352.73 lakhs in corresponding previous year and earned a net profit of ₹ 743.36 lakhs (previous year ₹ 503.74 lakhs) after providing for depreciation and tax.

On a consolidated basis, the total revenues stood at ₹ 48,178.15 lakhs with net profit of ₹ 4,505.88 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 up to 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 final dividend of ₹ 0.10 (5%) per equity share of ₹ 2/- each for the Financial Year 2022-23 subject to approval of the same by the members at the ensuing Annual General Meeting.

Further the Company has paid an interim dividend of ₹ 0.10 (5%) per Equity Share of ₹ 2/- each on fully paid Equity Shares amounting to ₹ 113.09 lakhs.

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 National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai - 400051 and the listing fees for the Financial Year 2022-2023, 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 BSE Limited and National Stock Exchange of India Limited.

9. SUBSIDIARIES AND ASSOCIATES:

The Company has Four subsidiaries (Three Indian and one foreign subsidiary) as on 31st March, 2023 namely:

Sr. No.	Name of Company	Subsidiary
1	Sah Polymers Limited	Subsidiary
2	Aeroflex Industries Limited	Subsidiary
3	Aeroflex Finance Private Limited	Subsidiary
4	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 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 has approved by Honorable NCLT, Mumbai Bench on 06th January, 2023.

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. Asad Daud, Director (DIN: 02491539), retires by rotation at the 38th Annual General Meeting, and being eligible, offers himself for re-appointment.

During the year, following are the changes took place in the Board of Directors of the Company.

- Mr. Goree Shankar Shrimali, an Independent Director has resigned from the Board of Directors w.e.f. 26th July, 2022.
- Mr. Parthasarathi Sarkar and Mr. Arpit Khandelwal, Independent Directors has been appointed on the Board w.e.f. 26th July, 2022.
- Mr. Nikhil Raut, Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022.

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

(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:

a) The Company continues to adopt and use the latest technologies to improve the quality of its Services.

b) Earning and outgo in foreign exchange:

	(₹ In lakhs)	
Particulars	2022-23	2021-22
Foreign Earnings	-	-
Foreign Outgo	20.09	71.27

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:

M/s. Ajay Paliwal & Co., Chartered Accountants, (ICAI FRN: 012345C) were appointed as Statutory Auditors of the Company at the 37th Annual General Meeting held on 16th September, 2022 to hold office till the conclusion of the 42nd Annual General Meeting of the Company to be held in the year 2027.

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:

The matters pertaining to industry structure and developments, opportunities and threats, segment-wise/team-wise performance,

outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance are detailed in the Report. The Management Discussion and Analysis report for the year under review and as stipulated under the Listing Regulations is presented in a separate section, forming part of the Annual Report.

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-C**.

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, Eight (8) 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-D** 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 i.e., Nomination and Remuneration Policy. 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-E**.

27. INDEPENDENT DIRECTORS TRAINING/ MEETING:

During the year under review a separate meeting of the Independent Directors of the Company was held on 18th March, 2023, 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 M/s. G H V & Co., Practicing Company Secretaries (CP No. 1163 and Peer Review No. 2495/2022), 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-F**.

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. Aeroflex International Limited and M/s. Italica Furniture Private Limited have merged with the Company vide NCLT Order C.P.(CAA) No. 50/MB-I/2021 In C.A.(CAA) No. 1106/MB-I/2020 dated 06th January, 2023

The Company had no Joint Venture Company and Associate 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:

The brief outline of the Corporate Social Responsibility (CSR) Policy of your company along with the initiative taken by it are set out in **Annexure-G** of this report in the format prescribed Rules, 2014. The policy is available on the website of the in the Companies (Corporate Social Responsibility Policy) company, <http://satgroup.in/corporatesocial-responsibility-policy/>

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, victimization or any other unfair practice being adopted against them. Adequate safeguards are provided against victimization 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 along with 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 along with 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

Place: Mumbai
Date: 25th May, 2023

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

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	Italica Global FZC, UAE
2.	Date of becoming subsidiary of the Company or the date of its acquisition	1 st July, 2015	2 nd April, 2018	24 th June, 2016	1 st June, 2017
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	N.A.	NA	NA
4.	Share capital (₹ in lakhs)	2,579.60	2,286.41	210.00	AED 1,85,000
5.	Reserves & surplus (₹ in lakhs)	5,830.09	9,132.33	77.54	AED 84,93,709
6.	Total assets (₹ in lakhs)	11,703.12	21,408.92	289.45	AED 1,54,78,709
7.	Total Liabilities (₹ in lakhs)	3,293.43	9,990.18	1.91	AED 68,00,000
8.	Investments (₹ in lakhs)	560.78	19.28	0	AED 1,59,810
9.	Turnover (₹ in lakhs)	8,235.34	26,937.88	28.93	AED 20,70,506
10.	Profit before taxation (₹ in lakhs)	410.60	4122.91	22.26	AED 17,43,575
11.	Provision for taxation (₹ in lakhs)	(104.96)	(1107.3)	(5.66)	0
12.	Profit after taxation (₹ in lakhs)	305.64	3,015.60	16.60	AED 17,43,575
13.	Proposed Dividend	Re.0.5 (5%) per share	Re.0.20 (10%) per share	0	0
14.	% of shareholding	55.50%	92.18%	100%	100%

Notes:

1. The annual accounts of the Subsidiary Companies and the related detailed information is made available on the website at www.satgroup.in

2. Details of reporting currency and the rate used in the preparation of consolidated financial statements

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (In ₹)	Closing Rate (In ₹)
Italica Global FZC, UAE	AED	21.93	22.37

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 2022-23:	Sr. No.	Name of Directors	Ratio of the remuneration of each director to the median remuneration of the employees	
		1	Mrs. Shehnaz D Ali	2.99:1	
		2	Mr. Harikant Turgalia	2.57:1	
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year 2022-23:	Sr. No.	Name	Designation	Increase in remuneration in the financial year 2022-23 (in%)
		1	Mrs. Shehnaz D Ali	Whole-Time Director	10.00%
		2	Mr. Harikant Turgalia	Whole-Time Director & CFO	9.78%
		3	Ms. Alka Premkumar Gupta	Company Secretary & Compliance Officer	28.26%
3	The percentage (%) increase in the median remuneration of employees in the financial year 2022-23	34.08%			
4	The number of permanent employees on the rolls of Company	15			
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 in the last financial year 2021-22 was 23.26 % whereas there was a increase in the remuneration of the key managerial personnel by 9.38 %</p> <p>Justification: The said increase was primarily on account of annual fixed pay increase.</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

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.

We hereby certify that:

- A. I, Harikant Turgalia, Whole-time Director & CFO of M/s. SAT Industries Limited have reviewed financial statements and the cash flow statements for the financial year 2022-23 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 and on behalf of Board of Directors of
SAT INDUSTRIES LIMITED

Place: Mumbai

Date: 25th May, 2023

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ANNEXURE - D

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 Paid
3.	Duration of the contracts/arrangements/transactions	11 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	29 th April, 2023
6.	Amount paid as advances, if any	Nil

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

Place: Mumbai
Date: 25th May, 2023

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ANNEXURE - E

NOMINATION AND REMUNERATION POLICY

1. Introduction

The Nomination and Remuneration Policy ("Policy") of **SAT INDUSTRIES LIMITED** ("Company") is formulated under the requirements of the Companies Act, 2013 and the rules formulated thereunder, as amended ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

This Policy is intended to be in conformity with the Act as on the date of its adoption. However, if due to subsequent modifications in the Act, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") or any other applicable law, a provision of this Policy or any part thereof becomes inconsistent with the Act, or the Listing Regulations, the provisions of the Act, or the Listing Regulations as modified shall prevail.

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director (defined below), matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, KMPs (defined below), Senior Management Personnel (defined below) and other employees.

Objective of the Policy

The Policy is framed with the following objective(s):

that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

that the remuneration of Directors, KMPs, and Senior Management Personnel 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;

to lay down criteria and terms and conditions with regard to identifying persons who are qualified to be appointed to the positions of Directors, KMPs and Senior Management Personnel, and to determine their remuneration;

to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;

to ensure the financial and operating performance of the Company over the preceding three years is considered while determining the remuneration;

to ensure there is a principle of proportionality while determining the remuneration;

to ensure that details of the securities of the Company held by the Directors including options and details of shares pledged as at the end of the preceding financial year is considered while determining the remuneration;

to evaluate the performance of Directors, KMPs, and Senior Management Personnel, and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and

to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create a competitive advantage.

In the context of the aforesaid criteria the following policy has been formulated by the NRC and adopted by the Board of Directors.

Definitions

In this Policy unless the context otherwise requires:

'Board of Directors' or 'Board' means the collective body of the directors of the Company.

'Director(s)' means a director of the Company, including executive directors, non-executive directors and Independent Directors.

'Independent Director(s)' means a Director referred to in Section 149 (6) of the Act and Regulation 16(1)(b) of Listing Regulations.

'KMP' means:

Whole Time Director;
Chief Financial Officer;
Company Secretary;

such other officer, not more than one level below the Directors who is in whole- time employment, designated as a 'KMP' by the Board; and any other officer as prescribed under the Act from time to time.

'NRC' means the Nomination and Remuneration Committee of the Company constituted in accordance with the Act and the Listing Regulations.

'Senior Management Personnel' means the employees of the Company who are members of its core management team (excluding the Board of Directors) i.e. it would comprise of all members of the management of the Company one level below the whole time director, including the functional/vertical heads, Company Secretary and Chief Financial Officer.

'Whole Time Director' means a Director in the whole time employment of the Company.

Applicability

This Policy is applicable to:

Directors; KMPs;

Senior Management Personnel; and

other employees of the Company.

Appointment of Director, KMPs and Senior Management Personnel:

- i. The NRC shall identify and ascertain the integrity, qualification, expertise and experience of a person for appointment as Director, KMP, or Senior Management Personnel, and make recommendations to the Board regarding their appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position they are being considered for appointment. Accordingly, the NRC has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

Appointment of Directors is subject to compliance with Section 164 of the Companies Act, 2013 and provisions of other applicable laws.

Appointment of Independent Directors is subject to compliance with Section 149 of the Companies Act, 2013 read with Schedule IV and the Listing Regulations.

- v. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- vi. The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure

Managing Director/Whole Time Director

The Company shall appoint or re-appoint any person as its Whole Time Director/Executive Director or Managing Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director

Subject to the provisions of the applicable laws, an Independent Director shall hold office for a term up to five consecutive years on the Board, and will be eligible for re- appointment on passing of a special resolution by the Company and disclosure(s) of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to

become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that: (i) number of boards on which such Independent Director serves is restricted to seven listed entities as an Independent Director; and (ii) three listed entities as an Independent Director in case such person is serving as a Whole Time Director of a listed entity.

Removal

The NRC may recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to compliance with the provisions of the Act and any other applicable laws.

Retirement

The Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act, and the prevailing policy of the Company.

Matters relating to the remuneration, perquisites for the Directors, KMP and Senior Management Personnel.

The remuneration/compensation/profit-linked commission etc. to be paid to the Directors will be determined by the NRC and recommended to the Board and shareholders of the Company for approval. The remuneration/compensation/profit-linked commission etc, shall be in accordance with the Act and the Listing Regulations.

The remuneration of KMPs, Directors, and Senior Management Personnel will be determined by the Board on recommendation of the NRC.

The remuneration of employees of the Company other than those mentioned in (i) and (ii) may be determined in accordance with the internal processes of the Company.

Organization wide increments to the existing remuneration/ compensation structure shall be approved by the NRC. Increments to the Whole Time Directors and/or Managing Director should be within the slabs approved by the shareholders of the Company. Increments will, ideally, be effective from 1st April for employees who have put in at least nine months in the previous financial year, unless otherwise decided.

Where any insurance is taken by the Company on behalf of its Whole Time Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole Time Directors

Remuneration

The Whole Time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the NRC and the Board. The break-up of

the pay scale, performance bonus and quantum of perquisites including, employer's contribution to the provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the NRC, and shall be within the overall remuneration approved by the shareholders of the Company on the recommendation of the NRC and the Board of Directors.

Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole Time Director in accordance with the provisions of Schedule V of the Act.

iii. Provisions for excess remuneration

If any Whole Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, he/she shall refund such sums to the Company, within 2 years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum unless approved by the Company by way of a special resolution within 2 years from the date on which the sum becomes refundable.

Remuneration to Non-Executive/Independent Director

Sitting Fees

The NRC may recommend for payment of sitting fees to the Directors. The quantum of sitting fees will be determined as per the recommendation of the NRC and approved by the Board of Directors subject to the applicable law.

Limit on payable remuneration

The remuneration payable to Directors other than the Whole Time Directors shall not exceed 1% of the net profits of the Company unless approved by the shareholders of the Company as per Section 197 of the Companies Act, 2013 read with Schedule V.

Remuneration to KMPs, Senior Management Personnel and other Employees

The KMPs and Senior Management Personnel of the Company shall be paid monthly remuneration as per the Company's guidelines and/or as may be approved by the Board on the recommendation of the NRC. The remuneration of other employees may be determined by the Board on recommendation of the NRC pursuant to internal processes of the Company. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be as per the Company's internal policies and applicability.

Before approving the increment and bonus the management of the Company, will make a detailed presentation(s) before the NRC, setting out the proposed increment and performance bonus payouts for the next financial year. The NRC shall peruse and approve the same, unless required under applicable laws, to refer the same to the Board and/or shareholders of the Company.

This Policy shall apply to all future/continuing employment/engagement(s) with the Company. In other respects, the Policy

shall be of guidance for the Board. Any departure from the Policy shall be recorded and reasoned in the minutes of the meetings of the NRC and the Board.

Role of the NRC

The following matters shall be dealt with by the NRC: i. Size and composition of the Board.

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company.

Directors

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

Succession plans

Establishing and reviewing Board, KMP, and Senior Management Personnel succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and part of the Senior Management Personnel.

Evaluation of performance

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director.

Identify ongoing training and education programs for the Board to ensure that non-executive directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

Board diversity

The NRC is to assist the Board in ensuring the Board nomination process is in line with the policy of the Company on diversity of the Board relating to gender, thought, experience, knowledge and perspectives. The policy is hosted on the website of the Company.

Remuneration framework and policies

The NRC is responsible to ensure that the remuneration framework is in accordance with the objectives of this Policy mentioned above.

Disclosures

The Policy shall be published on Company's website. This Policy shall also be disclosed as part of Board's report as required under the Act. Additionally, certain items, including those specified under Section 197(12) of the Act, are required to be disclosed in the Board's report.

ANNEXURE - F

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

Secretarial audit report for the financial year ended on 31st March, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.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 City MH 400021 IN

We 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 us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, confirmations and representations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01st April, 2021 to 31st March, 2023 (hereinafter called 'Audit Period'), 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:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Audit Period 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.

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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined the compliance with the applicable clauses of Secretarial Standards issued by The Institute of

Company Secretaries of India and listing agreements entered into by the Company with BSE Limited, during the audit period;

During the period under review the Company has complied with all the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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 in accordance with the relevant provisions of the Act. Further, a 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 decisions made at Board Meetings and Committee Meetings have unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by me the Company has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, we have replied on reports given by statutory auditors for compliance with other laws like Income Tax, Customs, and GST matter of the company.

We further report that, during the audit period there are no specific events that has a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Gopika Shah – Partner
GHV & Co.,
Practising Company Secretaries
FCS No.: 10416
C P No.: 11663
UDIN: F010416E000388851.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,

The Members,

SAT INDUSTRIES LIMITED

Our 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 our audit.
2. We 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. We believe that the processes and practices, followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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, standards is the responsibility of management. Our examination was limited to the verification of procedures 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.

Place: Mumbai

Date: 25th May, 2023

Gopika Shah – Partner
GHV & Co.,
Practising Company Secretaries
FCS No.: 10416
C P No.: 11663
UDIN: F010416E000388851

ANNEXURE - G

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2022-23.

1. Brief outline of CSR Policy of the Company:

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken:

- 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.
- 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..
- The Company aims to fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

Pursuant to the provisions of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, during the financial year, the CSR Committee of the Company was duly constituted in accordance with the provisions of Section 135 of Companies Act, 2013 and during such period the CSR Committee comprised of:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Asad Daud	Chairman, Director	1	1
2.	Mr. Harikant Turgalia	Member, Director	1	1
3.	Mr. Arpit Khandelwal	Member, Independent Director	1	1

2. The web-link where Composition of CSR committee and CSR Policy approved by the board on the website of the company: <https://satgroup.in/>

3. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

4. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	*Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
		Nil	

5. Average net profit of the company as per section 135(5): ₹ 2,56,71,252.33

6. a) Two percent of average net profit of the company as per section 135(5): ₹ 5,13,425.05/-

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

c) Amount required to be set off for the financial year, if any: **Nil**

d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 5,13,425.05/-

7. a) CSR amount spent or unspent for the financial year: ₹ 5,20,000/- Amount Spent in F.Y 2022-23

Total Amount Spent for the Financial Year 2022-23 (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
5,20,000	Nil	N.A.	N.A.	Nil	N.A.

b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State & District)	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency (Name & CSR Registration Number)
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c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State & District)	Amount spent for the Project (in ₹)	Project duration	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency (Name & CSR Registration Number)
1	Donation to TAHA Charitable Trust	Promoting Health Care, including preventive health care and promoting education	No	Udaipur, Rajasthan	5,20,0000	N.A.	Yes	N.A.
Total					5,20,000			

d) Amount spent in Administrative Overheads: **Nil**

e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **5,20,000/-**

g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
1.	Two percent of average net profit of the company as per section 135(5)	5,13,425.05
2.	Total amount spent for the Financial Year	5,20,000/-
3.	Excess amount spent for the financial year [(ii)-(i)]	Nil
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years[(iii)-(iv)]	Nil

8. a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1.	2021-22						
2.	2020-21						
3.	2019-20						

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project- Completed/ Ongoing
N.A.								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- a) Date of creation or acquisition of the capital asset(s): **None**
- b) Amount of CSR spent for creation or acquisition of capital asset: **Nil**
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

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

Place: Mumbai
Date: 25th May, 2023

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

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 31st March, 2023 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 31st March, 2023, 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. Harikant Turgalia	Non-Promoter	Executive Director
3.	Mr. Asad Daud	Promoter	Non-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
7.	Mr. Parthasarathi Sarkar	Non-Promoter	Non-Executive Independent Director
8.	Mr. Arpit Khandelwal	Non-Promoter	Non-Executive Independent Director

*Mr. Goree Shankar Shrimali has resigned w.e.f. 26th July, 2022

**Mr. Nikhil Raut, an Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022

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	8	8	Yes
2.	Mr. Harikant Turgalia	8	8	Yes
3.	Mr. Asad Daud	8	8	Yes
4.	Mr. Ramesh Chandra Soni	8	8	Yes
5.	*Mr. Goree Shankar Shrimali	8	2	No
6.	**Mr. Nikhil Raut	8	5	Yes
7.	Mr. Parthasarathi Sarkar	8	5	Yes
8.	Mr. Arpit Khandelwal	8	5	Yes

*Mr. Goree Shankar Shrimali has resigned w.e.f. 26th July, 2022

**Mr. Nikhil Raut, Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022

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	3	-	-	-
2.	Mr. Harikant Turgalia	2	2	1	-
3.	Mr. Asad Daud	6	3	2	Sah Polymers Limited - Director
4.	Mr. Ramesh Chandra Soni	3	-	4	Sah Polymers Limited - Independent Director
5.	Mr. Parthasarathi Sarkar	2	1	-	-
6.	Mr. Arpit Khandelwal	1	3	-	-

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

The Board of Directors met Eight times during the Financial Year 2022-23, i.e. on 30th May, 2022, 26th July, 2022, 12th August, 2022, 2nd September, 2022, 23rd September, 2022, 02nd November, 2022, 12th November, 2022 and 13th February, 2023. 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, except Mr. Parthasarathi Sarkar who holds 70200 shares 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. Asad Daud is liable to retire by rotation at the Thirty-Eighth 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. Parthasarathi Sarkar	×	√	√	√
6.	Mr. Arpit Khandelwal	×	×	√	√

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.

1. Mr. Goree Shankar Shrimali resigned from directorship w.e.f. 26th July, 2022 due to his personal commitments.
2. Mr. Nikhil Raut, Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the reporting Financial Year, a separate Meeting of the Independent Directors of the Company, was held on 28th March, 2023, 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) 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.
- c) To view the unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- d) To discuss about familiarization programme conducted by the company for the independent directors.

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 Four (4) subsidiaries (Three Indian and one foreign unlisted subsidiary) as on 31st March, 2023 namely:

1. Sah Polymers Limited
2. Aeroflex Industries Limited
3. Aeroflex Finance Private Limited
4. Italica Global FZC, UAE

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

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, <https://satgroup.in/investor-relations/>. 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 31st March, 2023, is given below:

Sr. No.	Name of the Director	Promoter/Non-Promoter	Category
1.	Mr. Ramesh Chandra Soni	Non-Executive Independent	Chairman
2.	Mr. Harikant Turgalia	Executive	Member
3.	Mr. Arpit Khandelwal	Non-Executive Independent	Member

c. Meetings and attendance during the year:

The Audit Committee met Seven times during the Financial Year 2022-23, i.e. on 30th May, 2022, 26th July, 2022, 12th August, 2022, 2nd September, 2022, 23rd September, 2022, 12th November, 2022 and 13th February, 2023. The maximum time gap between any two meetings is 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. Arpit Khandelwal	7	2
Mr. Nikhil Raut*	7	5

*Mr. Nikhil Raut, Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022

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);

- To help in determining the appropriate size, diversify and composition of the Board.
- To recommend to the Board appointment/re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- Fixing the remuneration to executive Directors. To create an evaluation framework for Independent Directors and the Board;
- To assist in developing a succession plan for the Board;
- 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. Parthasarathi Sarkar	Non-Executive Independent	Member
3.	Mr. Asad Daud	Non-Executive Non-Independent	Member

c. Meetings and attendance during the year:

The Nomination and Remuneration Committee met One (1) time during the financial year, on 30th May, 2022.

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. Nikhil Raut*	1	1
Mr. Asad Daud	1	1

*Mr. Nikhil Raut, Independent director has completed his tenure of two terms and ceased to be a director of the Company w.e.f. 1st October, 2022

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 the financial year 2022-23.

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 30th May, 2022, 12th August, 2022, 12th November, 2022 and 13th February, 2023. 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 Companies Act 2013.

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.

During the year, one meeting of the CSR Committee was held on 28th March, 2023.

The composition of the CSR Committee and details of the meeting attended by its members are given below:

Name	Category	Number of meetings during the financial year 2022-23	
		Held	Attended
Mr. Asad Daud	Non-Executive and Non -Independent	1	1
Mr. Harikant Turgalia	Executive and Non-Independent	1	1
Mr. Arpit Khandelwal	Non-Executive and Independent	1	1

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 2022-2023:

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	₹ 21,89,499/- p.a.	Nil	₹ 21,89,499/- p.a.	***
Mr. Harikant Turgalia	CFO & Whole-time Director	₹ 18,43,698/- p.a.	Nil	₹ 18,43,698/- p.a.	***

Service Contract: 3 years with effect from the date of appointment i.e. 1st January, 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
37 th	16 th September, 2022	11:00 a.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
36 th	28 th September, 2021	11:00 a.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
35 th	4 th September, 2020	11:00 a.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

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

Date of AGM	Number of Special Resolutions passed, if any
16 th September, 2022	3
28 th September, 2021	2
04 th September, 2020	0

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 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 and National Stock Exchange Limited (NSE) during the financial year 2022-23 are available on the website of the Company.

10. GENERAL SHAREHOLDER INFORMATION

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

Day: Tuesday

Date: 18th July, 2023

Time: 11:00 AM

Mode: Through Video Conference

b. Financial Year: 1st April to 31st March.

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

d. Dividend Payment Date:

The final Dividend, if approved by the Shareholders at the Annual General Meeting shall be paid/credited on or before 11th August, 2023 i.e. within 30 days from the date of approval.

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 and National Stock Exchange of India Limited Exchange located at Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai - 400051. The annual listing fees for FY 2022-2023 to BSE and NSE have been paid by the Company within stipulated time.

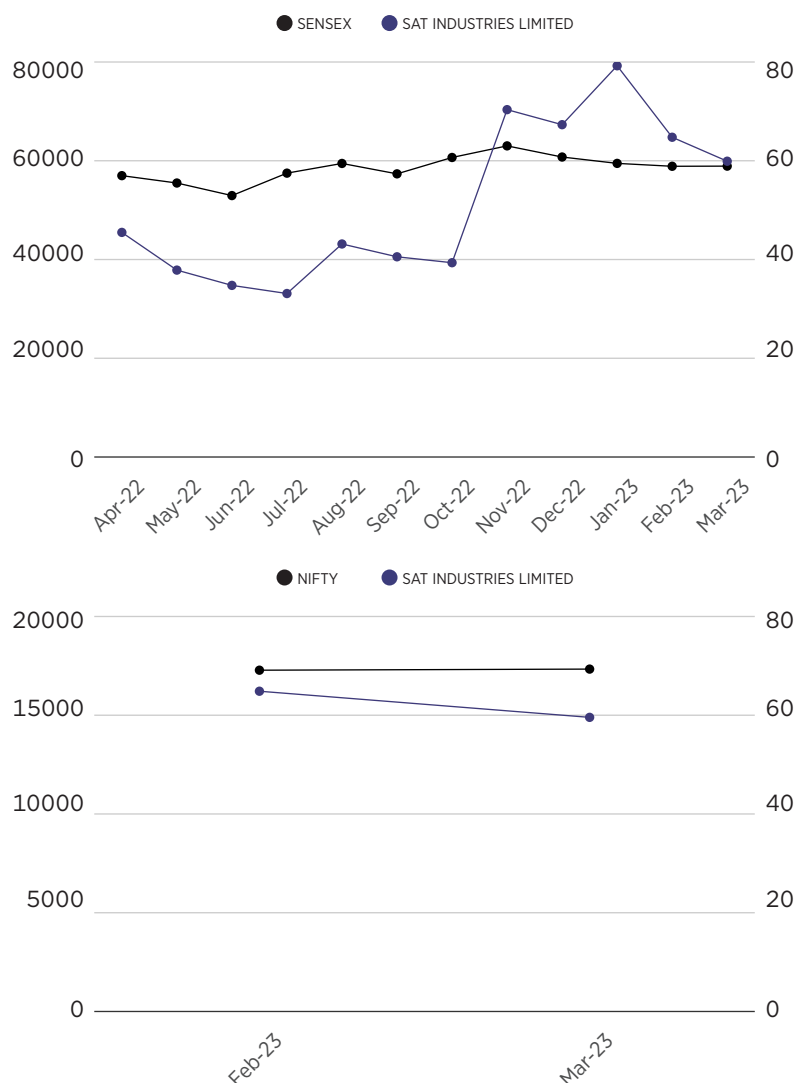
f. Stock Code:

Security ID	Security Code	ISIN
SATINDLTD	511076	INE065D01027

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

Month	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23
High	48.95	49.00	41.25	35.85	43.20	45.00	41.55	73.85	74.50	84.05	84.00	75.50
Low	38.30	34.20	31.55	27.70	30.10	38.80	37.70	38.50	58.10	65.55	64.45	57.00

h. Performance in comparison to NIFTY & 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: <https://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 warrant.

l. Distribution of Shareholding as on 31.03.2023

Sr. No.	Shares Range	No. of Shareholders	% of Total Shareholders	Total Shares for The Range	% of Issued Capital
1	1 to 1000	5183	87.5507	865384	0.7653
2	1001 to 2000	247	4.1723	386491	0.3418
3	2001 to 4000	164	2.7703	474058	0.4192
4	4001 to 6000	73	1.2331	362349	0.3204
5	6001 to 8000	34	0.5743	242627	0.2146
6	8001 to 10000	40	0.6757	373080	0.3299
7	10001 to 20000	55	0.9291	774509	0.6849
8	20001 to Above	124	2.0946	109606502	96.9240
Total		5920	100	113085000	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 and NSE. 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 31st March, 2023.

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: <https://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: investor.relations@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 M/s. GHV & Co., 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	13.29
Reimbursement Expenses	0.05
Total	13.34

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

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested:

There are no loans and advances given by the listed entity and its subsidiaries to firms/companies in which directors are interested.

n. Details of material subsidiaries of the Company:

Sr. No	Name of the material subsidiary Company	Date of Incorporation	Place of Incorporation	Name of statutory auditor	Date of appointment of Statutory Auditor
1.	Aeroflex Industries Limited	19/10/1993	Thane, Maharashtra, India	M/s. Shweta Jain & Co.	30/09/2021
2.	Sah Polymers Limited	20/04/1992	Udaipur, Rajasthan, India	M/s. H.R. Jain & Co.	30/09/2022

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 31st March, 2023.

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 has affirmed compliance with the Code of Conduct during the financial year ended 31st March, 2023.

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

Place: Mumbai
Date: 25th May, 2023

HARIKANT TURGALIA
Whole-time Director and CFO
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 suspense account/unclaimed suspense account arising out of public/bonus/right issues as at 31st March, 2023. 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 with 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 20th May, 2009 and Circular No. MRD/DoP/SE/RTA/Cir-03/2010 dated 7th January, 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: 25th May, 2023

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ANNEXURE - I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

For The Financial Year Ended On March 31, 2023

(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.

We 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, Mumbai City MH 400021 IN (hereinafter referred to as 'the Company'), produced before me/us 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 our opinion and to the best of my/our 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/us by the Company & its officers,

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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 as stated below and otherwise subject to our disclaimer mentioned at footnote:

Sr. No.	Name of Director	DIN	Date of appointment in Company	Remarks
1.	MR. PARTHASARATHI SARKAR	00047272	26/07/2022	NA
2.	MR. RAMESH CHANDRA SONI	00049497	28/09/2006	NA
3.	MR. HARIKANT TURGALIA	00049544	27/09/2001	NA
4.	MR. SHEHNAZ D ALI	00185452	27/09/2001	NA
5.	MR. ASAD DAUD	02491539	22/04/2014	NA
6.	MR. ARPIT KHANDELWAL	09684341	26/07/2022	NA

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our 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.

Place: Mumbai
Date: 25th May, 2023

Gopika Shah – Partner
GHV & Co.,
Practising Company Secretaries
FCS No.: 10416
C P No.: 11663
UDIN: F010416E000390059

ANNEXURE - II

CERTIFICATE ON CORPORATE GOVERNANCE OF SAT INDUSTRIES LIMITED

For the financial year ended March 31, 2023

To

The Members of

SAT INDUSTRIES LIMITED

121, B-Wing, Mittal Tower,

Nariman Point Mumbai 400021.

1. We have examined the compliance of conditions of Corporate Governance by M/s. **SAT INDUSTRIES LIMITED**, for the year ended on 31st March, 2023, as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in the Listing Regulations for the period 1st April, 2022 to 31st March, 2023, with the relevant records and documents maintained by the Company and furnished to us and the Report on Corporate Governance as approved by the Board of Directors. Compliance under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the SEBI LODR 2015 was compiled by the company.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. Based on the aforesaid examination and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
4. We further 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.

Place: Mumbai

Date: 25th May, 2023

Gopika Shah – Partner
GHV & Co.,
Practising Company Secretaries
FCS No.: 10416
C P No.: 11663
UDIN: F010416E000390015

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 31st March, 2023, 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 31st March, 2023, 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.

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 four subsidiaries, whose financial statements reflect total assets of ₹ 37418.10 lakhs (after consolidated adjustments) as at 31st March, 2023 total revenues of ₹ 37211.99 lakhs (after consolidated adjustments) and net cash inflows (after consolidated adjustments) amounting to ₹ 341.80 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.

Our opinion in so far as it relates to the balances and affairs of one subsidiary located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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 31st March, 2023 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 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of 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) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 33 (a) to the accounts.
 - (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 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.

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

Ajay Paliwal
Proprietor
M No.: 403290
ICAI UDIN: 23403290BGXWBZ7870

Place of signature: Mumbai
Date: 25th May, 2023

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.

For **AJAY PALIWAL & Co.**

Chartered Accountants

Firm's Registration NO.: 12345C

Ajay Paliwal

Proprietor

M No.: 403290

ICAI UDIN: 23403290BGXWBZ7870

Place of signature: Mumbai

Date: 25th May, 2023

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 31st March, 2023, 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 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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.

For **AJAY PALIWAL & Co.**

Chartered Accountants

Firm's Registration NO.: 12345C

Ajay Paliwal

Proprietor

M No.: 403290

ICAI UDIN: 23403290BGXWBZ7870

Place of signature: Mumbai

Date: 25th May, 2023

CONSOLIDATED BALANCE SHEET

As at 31st March, 2023

		(₹ in lakhs)			
Particulars	Notes	As at 31 st March, 2023		As at 31 st March, 2022	
1	2				
ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	3	10,629.75		6,910.97	
(b) Capital work -in- Progress	3	157.22		1,303.44	
(c) Investment Property		-		-	
(d) Goodwill on Consolidation		518.60		1,107.57	
(e) Other Intangible Assets	3	78.11		31.22	
(f) Intangible assets under development	3	-		26.11	
(g) Biological Assets other than bearer plants					
(h) Investments accounted for using the equity method		-		-	
(i) Financial Assets					
(i) Investments	4	1,345.16		996.70	
(ii) Trade receivables		-		-	
(iii) Loans	5	1,364.67		497.36	
(iv) Others	6	133.21	2843.04	123.42	1,617.48
(j) Deferred tax assets (net)					
(k) Other non-current assets	7	353.58		418.42	
2 Current assets					
(a) Inventories	8	8513.78		5,539.92	
(b) Financial Assets					
(i) Investments		-		-	
(ii) Trade receivables	9	10,702.97		8,085.99	
(iii) Cash and cash equivalents	10	3,572.90		1,341.33	
(iv) Bank balances other than (iii) above	11	1,102.10		73.57	
(v) Loans	5	5,353.86		5,084.18	
(vi) Others	6	113.48	20845.31	173.91	14,758.98
(c) Current Tax Assets (Net)	12	0.00		3.49	
(d) Other current assets	7	5090.59		6,173.22	
Total Assets		49,029.98		37,890.82	
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	13	2,261.70		2,261.70	
(b) Other Equity	14	23,874.34		18,906.80	
Equity attributable to the Owners of the Parent		23,874.34		18,032.68	
Non Controlling interest		4,615.84	28,490.18	874.12	18,906.80
Total Equity		30,751.88		21,168.50	
LIABILITIES					
1 Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	15	2,827.13		2,245.43	
(i.a) Lease liabilities					
(ii) Trade payables		-		-	
(iii) Other financial liabilities	16	0.67	2,827.80	-	2,245.43
(b) Provisions		-		-	
(c) Deferred tax liabilities (Net)	17	334.46		287.47	
(d) Other non-current liabilities		-		-	
2 Current liabilities					
(a) Financial Liabilities					
(i) Borrowings	18	7,662.29		6,814.56	
(i.a) Lease liabilities					
(ii) Trade payables	19				
(A) total outstanding dues of micro enterprises and small enterprises; and		883.08		8.66	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		4,397.22		4,729.37	
(iii) Other financial liabilities(other than those specified in item(c))	16	2.10	12,944.69	-	11,552.59
(b) Other current liabilities	20	1,454.19		1,706.80	
(c) Provisions	21	15.66		32.75	
(d) Current Tax Liabilities (Net)	22	701.30		897.28	
Total Equity and Liabilities		49,029.98		37,890.82	
See accompanying notes to financial statements	1 to 65				

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

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBZ7870

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Notes	As at 31 st March, 2023	As at 31 st March, 2022
Income:			
I Revenue from operations	23	- 46,623.97	34,673.01
II Other income	24	1,554.18	475.21
III Total Income (I+II)		48,178.15	35,148.22
IV Expenses:			
Cost of Materials consumed	25	33,227.65	21,282.89
Purchases of Stock-in-Trade	26	835.19	2,036.26
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(2,364.56)	(358.41)
Employee benefits expense	28	2,943.41	2,191.52
Finance costs	29	689.27	736.74
Depreciation and amortization expense	3	717.15	581.05
Other expenses	30	6,499.92	3,651.45
Total expenses (IV)		42,548.03	30,121.50
V Profit before share of profit/(loss) of an associate and exceptional items(III-IV)		5,630.12	5,026.72
VI Share of profit/(loss) of an associate		199.47	-
VII Profit before exceptional items and tax (V+VI)		5,829.59	5,026.72
VIII Exceptional items		-	-
IX Profit before tax (VII+VIII)		5,829.59	5,026.72
X Tax expense:			
(1) Current tax		1,267.74	1,055.32
Less: MAT Adjust		50.82	4.37
(2) Prior Period income tax		4.40	-0.55
(3) Deferred tax		102.39	105.67
XI Profit for the period from continuing operation (IX-X)		4,505.88	3,870.65
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)		4,505.88	3,870.65
XVI Other Comprehensive Income			
A (i) item that will not be reclassified to profit or loss		-	-
Equity instrument through other comprehensive income		6.86	1.39
(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		233.62	103.95
(ii) Income tax relating to item that will be reclassified to profit or loss		- 240.48	- 105.34
XVII Total Comprehensive Income for the period (XVI+XVII)		4,746.36	3,975.99
Attributable to (a) Owners of the parent		4,520.64	3,554.38
(b) Non-controlling interests		225.72	316.27
Of the Total Comprehensive Income			
Profit for the year attributable to:			
Owners of the parent		4,280.16	3,554.38
Non-controlling interests		225.72	316.27
Of the Total comprehensive income above,			
Other Comprehensive income attributable to:			
Owners of the parent		240.48	105.34
Non-controlling interests		-	-
XVIII Earnings per equity share:(for continued Operation):			
(1) Basic	32	3.98	3.42
(2) Diluted	32	3.98	3.42
XIX Earnings per equity share:(for discontinued Operation):			
(1) Basic		-	-
(2) Diluted		-	-
XX Earnings per equity share:(for discontinued & continuing operations)			
(1) Basic	32	3.98	3.42
(2) Diluted	32	3.98	3.42

See accompanying notes to financial statements

1 to 65

For and on behalf of
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Chartered Accountants
Firm's Registration NO.: 12345C

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBZ7870

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

CONSOLIDATED CASH FLOW STATEMENT

For the Year 31st MARCH, 2023

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
A	Cash Flow from Operating Activities		
	Net Profit before tax	5,829.59	5,026.72
	Adjustments for:		
	Depreciation	717.15	581.05
	Interest Paid	689.27	846.45
	Loss/(Profit) on sale of Property, plant and equipment	(248.34)	(240.82)
	Foreign exchange on translation	233.62	103.95
	(Profit)/Loss on Sale of investments	(156.38)	(148.60)
	Operating Profit before working capital changes	7,064.91	6,168.75
	Adjustment for:		
	Inventories	(2,973.86)	(1,535.76)
	Trade Receivables	(2,616.98)	(2,735.89)
	Trade payables	542.27	237.13
	Loans	(1,136.99)	(854.58)
	Other financial assets	(968.10)	(140.48)
	Other non-current financial assets	(9.79)	26.36
	Financial liabilities	2.10	-
	Current liabilities and provisions	(271.22)	377.30
	Increase current tax assets	3.49	2.68
	Increase/(Decrease) non - current assets	64.84	(293.21)
	Other Non current liabilities	0.67	(0.90)
	Increase in other current assets	1,082.63	659.44
	Cash Generated from Operations	783.97	1,910.84
	Income Tax Paid	1,468.12	181.87
	Net Cash Inflow/(Out Flow) from Operation (A)	(684.15)	1,728.97
B	Cash Flow from Investing Activities:		
	Sale of Property, plant and equipment	340.37	353.90
	Purchase of Property, plant and equipment	(4,503.79)	(997.08)
	Purchase Intangible Assets	(44.95)	(16.47)
	Purchase of investments - Non Current	(473.42)	(454.53)
	Capital work-in-progress	1,146.22	(1,301.69)
	Sale of investment	285.14	259.92
	Net Cash Inflow/(Outflow) from investing Activities (B)	(3,250.43)	(2,155.95)
C	Cash flow from Financing Activities		
	Increase in borrowings	2,665.63	3,183.23
	Repayment of borrowings	(1,646.06)	(1,399.52)
	Amount raised through initial public offer by subsidiary	6,630.00	-
	Dividend payment	(285.69)	(113.09)
	Capital issue Expenses	(918.32)	(54.18)
	Interest Paid	(689.27)	(846.45)
	Net Cash Inflow/(Out Flow) from Financing Activities (C)	5,756.29	769.99
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	1,821.71	343.01
	As at the beginning of the year	1,341.33	975.13
	Less: Cash Credit	713.73	690.54
	As at the end of the year	3,572.90	1,341.33
	Less: Cash Credit	1,123.59	713.73
	Net Increase/(Decrease) in cash & Cash equivalents	1,821.71	343.01

As per our Audit Report Attached.

(₹ in lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I. Cash and cash equivalents as per above comprise of the following:		
Cash on hand	12.64	6.99
Balances with scheduled banks:		
- On current accounts	735.67	1,059.34
- On deposit accounts	2,824.59	275.00
(deposits having an original maturity of 3 months or less)		
Cash and cash equivalent as per note	3,572.90	1,341.33

II. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

The notes 1 to 65 form an integral part of the financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

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

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBZ7870

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

STATEMENT OF CHANGES IN EQUITY

Equity Share Capital

(1) Current reporting period:

(₹ in lakhs)

	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 31st March, 2023	2261.70	0.00	0.00	0.00	2261.70

(2) Previous reporting period:

(₹ in lakhs)

	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 31st March, 2022	2261.70	0.00	0.00	0.00	2261.70

Other equity

	Statutory Reserve	Reserves & Surplus	General Reserve	Retained earnings	Equity Instruments through other Comprehensive Income	Exchange difference on translating financial difference on foreign operation	Capital Issue Expenses	Attributable to owners of the parent	Non-controlling interest	Total
		Capital Reserve	Securities premium							(₹ in lakhs)
Balance at the beginning of the reporting period - 01/04/2023	6.48	2,584.29	8,000.75	127.04	3,100.64	(49.12)	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	-	-	-	-	-	-	-	-	-	-
Dividend				(113.09)				(113.09)		(113.09)
Capital Expenses	-	-	-	-	-	-	(54.18)	(54.18)	-	(54.18)
Balance at the end of the reporting period - 31 st March, 2022	6.48	2,584.29	8,000.75	127.04	6,541.93	(47.73)	874.10	18,032.68	874.12	18,906.80
Profit for the year	-	-	-	-	4,280.16	-	-	4,280.16	3,741.72	8,021.88
Total Comprehensive income for the year	-	-	-	-	-	6.86	233.62	240.48	-	240.48
On initial public offer of subsidiary		3,114.00						3,114.00		3,114.00
Adjustments on amalgamation of subsidiaries				(588.97)				(588.97)		(588.97)
Transfer to/from	3.32	-	(937.12)	-	(3.32)	-	937.12	-	-	-
Dividend				(285.69)				(285.69)		(285.69)
Capital Issue Expenses	-	-	-	-	-	-	(918.32)	(918.32)	-	(918.32)
Balance at the end of the reporting period - 31 st March, 2023	9.80	5,698.29	7,063.63	127.04	9,944.11	(40.87)	1,107.72	23,874.34	4,615.84	28,490.18

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

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBZ7870

Place of signature: Mumbai
Date: 25th May, 2023

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 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.

NOTE 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.

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 1st April, 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 1st, 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.

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 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. 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 non monetary 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.

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 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 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 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 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Owned Assets							Under Operating Lease					
	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	Total
Year ended 31 st March, 2023													
GROSS CARRYING AMOUNT													
Opening 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
Additions	-	1,355.36	2,931.32	55.07	63.72	40.40	0.96	5.33	-	51.63	-	-	4,503.79
On acquisition of subsidiary													
Disposals/Adjustment	-	-	12.80	0.23	-	7.50	-	-	-	-	103.24	-	123.77
Closing Gross Carrying Amount	1,650.96	4,190.06	11,013.20	447.06	351.79	281.77	58.24	6.49	115.96	274.97	509.59	331.60	19,231.69
ACCUMULATED DEPRECIATION													-
Opening 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
Depreciation charge during the year		108.92	429.00	20.43	39.39	21.89	2.52	0.07		38.38	19.61	12.77	692.98
Disposals/Adjustments			7.44			6.17					18.13		31.74
Closing Accumulated Depreciation	-	1,925.55	5,372.09	329.17	217.55	247.17	31.97	0.56	-	215.69	150.29	111.90	8,601.94
Net Carrying Amount	1,650.96	2,264.51	5,641.11	117.89	134.24	34.60	26.27	5.93	115.96	59.28	359.30	219.70	10,629.75
Year ended 31 st March, 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	-	106.05	682.48	39.44	33.46	24.16	-	-	0.51	45.08	6.94	-	938.12
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	332.67	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

*No write off has been made in respect of leasehold land.

INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Owned Assets	Total
	Computer Software	
Year ended 31 st March, 2023		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	91.14	91.14
Additions	71.06	71.06
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	162.20	162.20
ACCUMULATED DEPRECIATION		-
Opening Accumulated Depreciation	59.92	59.92
Depreciation charge during the year	24.17	24.17
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	84.09	84.09
Net Carrying Amount	78.11	78.11
Year ended 31 st March, 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

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

(₹ in lakhs)

Particulars	Amount in CWIP for a current period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	157.22	-	-	-	157.22
Projects temporarily suspended	-	-	-	-	-

(₹ in lakhs)

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

(b) Intangible Assets under development
Intangible Assets under development aging schedule

(₹ in lakhs)

Particulars	Amount in CWIP for a current period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(₹ in lakhs)

Intangible Assets under development aging schedule

Particulars	Amount in CWIP for a previous period of				Total
	Less than 1 years	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)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Units	Value	Units	Value
Unquoted				
a) Equity Instruments (at fair value through other comprehensive income)				
(a) Investments in Convertible Preference				
Globalvalue Food And Condiments Pvt Ltd (CCPS of ₹ 10/- each)	26	2.50	26	2.50
Aubotz Labs Pvt Ltd (Face Value 10/-)	39	7.01	39	7.01
Botson Labs Private Limited (Face Value 10/-)	1,030	7.52	1,030	7.52
Broomees India Pvt Ltd (Face Value 10/-)	64	11.04	64	11.04
CarterPorter Pvt Ltd (Face Value 10/-)	44	3.60	22	1.80
Chakshu.AI Pvt Ltd (Face Value 10/-)	985	10.00	985	10.00
Comfypets Pvt Ltd (Face Value 10/-)	97	11.03	97	11.03
Crescere Technologies Pvt Ltd (Face Value 10/-)	10	7.00	10	7.00
Devnagri AI Private Limited (Face Value 10/-)	40	6.52	40	6.52
DVDP Technologies Pvt Ltd (Face Value 10/-)	79	7.01	79	7.01
Ensuredit Technologies Pvt Ltd (Face Value 10/-)	120	2.48	120	2.48
Expertrons Technologies Pvt Ltd (Face Value 10/-)	12	10.73	8	5.42
Frello Technology Pvt Ltd (Face Value 10/-)	39	9.23	39	9.23
Giggle Galaxy Private Limited (Face Value 10/-)	27,064	6.22	27,064	6.22
Joule Consulting Private Limited (Face Value 10/-)	240	6.69	240	6.69
Meliorism Switchism Pvt Ltd (Face Value 10/-)	129	10.07	129	10.07

Mothersense Technologies Pvt Ltd (Face Value 10/-)	2	4.28	1	2.14
Ncome Tech Solutions Pvt Ltd (Face Value 10/-)	42	5.09	42	5.09
Pinbox Inclusion Pvt Ltd (Face Value 10/-)	11	11.69	11	5.85
Prescinto Technologies Pvt Ltd (Face Value 10/-)	257	5.99	257	5.99
Qzense Labs Pvt Ltd (Face Value 10/-)	17	2.31	17	2.31
Sampatra Technologies Pvt Ltd (Face Value 10/-)	750	7.61	750	7.61
Seygnux Solutions Pvt Ltd (Face Value 10/-)	39	5.59	39	5.59
Shrikar Datakund Pvt Ltd (Face Value 10/-)	52	7.52	52	7.52
SPV Laboratories Pvt Ltd (Face Value 10/-)	7,400	7.03	7,400	7.03
Tecso Charge Zone Private Limited (Face Value 10/-)	2,191	4.60	2,191	4.60
"Wizzy Softech Pvt Ltd" (Face Value 10/-)	97	11.11	97	11.10
Asht Capital Pvt Ltd -CCPS (Face Value 10/-)	114	11.01	-	-
Cyberviking Ventures Pvt Ltd/Nooble - CCPS (Face Value 10/-)	13	6.97	-	-
DCG Tech Limited CCPS (Face Value 10/-)	4,340	25.00	-	-
Globalvalue Food And Condiments Pvt Ltd - CCPS (Face Value 10/-)	26	2.50	-	-
Gozing Technology Pvt Ltd - CCPS (Face Value 10/-)	115	4.25	-	-
Mestis Energy Pvt Ltd - CCPS (Face Value 10/-)	104	11.01	-	-
Red Basil Technologies Pvt Ltd- CCPS (Face Value 10/-)	904	11.01	-	-
Riverus Technology Solutions Pvt Ltd- CCPS (Face Value 10/-)	93,862	15.00	-	-
Snippt Media Pvt Ltd - CCPS (Face Value 10/-)	1,248	10.01	-	-
Sunfox Technologies Pvt Ltd - CCPS (Face Value 10/-)	53	6.99	-	-
TEXT MERCATO SOLUTIONS PVT LTD CCPS (Face Value 10/-)	15	5.02	-	-
Thermal Energy Service Solutions Pvt Ltd -CCPS (Face Value 10/-)	155	11.05	-	-
Zoofresh Foods Pvt Ltd - CCPS (Face Value 10/-)	2,159	15.29	-	-
Easy To Pitch Networks Pvt Ltd (Face Value 10/-)	13	9.09	-	-
Duronto Technologies Private Limited (Shares of ₹ 45/- each)	1122	10.00	1122	10.00
Lithasa Technologies Pvt Ltd	83	19.03	83	19.03
Pre - Series A1 Cumulative Convertible Preference shares of ₹ 100/- each fully paid up				
Ideope Media Pvt Ltd	49	4.95	49	4.95

(Shares of ₹ 10/- each)				
Stay Vista Private Limited	-	-	600	10.01
(Shares of ₹ 10/- each)				
Manali E-Business Pvt Ltd	112.00	5.04	112	5.04
0.01% (Shares of ₹ 10/- each)				
Reverus Technology Solutions Pvt Ltd	31286	5.18	31286	5.18
0.01% (Shares of ₹ 10/- each)				
Text Mercato Solutions Pvt Ltd	32	5.18	32	5.18
(Shares of ₹ 10/- each)				
Entellus Business Solutions Pvt Ltd	17	2.89	17	2.89
(Shares of ₹ 10/- each)				
Mynvax Pvt Ltd	24	7.69	24	5.29
(Shares of ₹ 10/- each)				
Trudel Faishion Private Limited	33	5.19	33	5.19
(Shares of ₹ 10/- each)				
Modaviti E-Marketing Pvt Ltd	25	0.01	25	0.01
(Shares of ₹ 10/- each)				
Skilancer Solar Private Limited	36	2.09	36	2.09
(Shares of ₹ 10/- each)				
Getsup for Change Service Pvt Ltd	84	0.01	84	1.17
(Shares of ₹ 300/- each)				
Mynvax Private Limited	17	4.70	17	4.70
(Shares of ₹ 10/- each)				
(b) Equity Shares				
Ensuredit Technologies Pvt Ltd - E/s	123	2.54	123	2.54
(Shares of ₹ 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	11.98
(Shares of ₹ 10/- each)				
Vphrase Analytics Solution Pvt Ltd	112	10.13	112	10.13
(Shares of ₹ 10/- each)				
GetUp For Change Services Private Limited	-	-		0.56
(Shares of ₹ 10/- each)				
Ideope Media Pvt Ltd	5	0.10	5	0.10
(Shares of ₹ 10/- each)				
Urbtranz Technologies Pvt Ltd	279	3.11	279	3.09
(Shares of ₹ 10/- each)				
Idea bubbles Consulting Services P Ltd	-	-		20.00
(Shares of ₹ 1/- each)				
Creditas Solutions Private Limited	2904	55.00	2904	55.00
(Shares of ₹ 10/- each)				
Zeva Capsol Private Limited	19634	20.01	19634	20.01
(Shares of ₹ 10/- each)				
Reconext Labs Private Limited	16	2.11	16	2.11
(Shares of ₹ 10/- each)				
Eduvanz Financing Private Limited	4294	31.40	4294	31.35
(Shares of ₹ 10/- each)				
Flickstree Productions P Ltd	50	6.19	50	6.19
(Shares of ₹ 10/- each)				
Metro politan Exchange Limited	500000	6.10	500000	6.10
(Shares of ₹ 1/- each)				
Nuve Pro Technologies Pvt Ltd	76920	20.00	76920	20.00
(Shares of ₹ 1/- each)				
Kalpnik Technologies Pvt Ltd	21688	5.12	21688	5.12

(Shares of ₹ 1/- each)				
Bohri Kitchen Pvt Ltd	55	4.73	55	4.73
(Shares of ₹ 10/- each)				
Karma Primary Healthcare Services Pvt Ltd	1188	5.97	1188	5.97
(Shares of ₹ 1/- each)				
Truelan Textiles Pvt Ltd	32	3.15	32	3.15
(Shares of ₹ 10/- each)				
SynThera Biomedical Private Limited	82	5.03	82	5.03
(Shares of ₹ 10/- each)				
Switchme Technologies and Services Pvt Ltd	103	5.00	103	5.00
(Shares of ₹ 10/- each)				
SSMaserTechnology Private Limited	-	-	23	2.60
(Shares of ₹ 10/- each)				
Insorce Operational Optimizers Pvt Ltd	34165	5.00	34165	5.00
(Shares of ₹ 1/- each)				
Mynvax Private Limited	51	5.00	51	5.00
(Shares of ₹ 10/- each)				
Supa Star Foods P Ltd	136	9.97	136	9.97
(Shares of ₹ 10/- each)				
Lenden Club Techserve P Ltd	1011	0.01	1011	0.01
(Shares of ₹ 1/- each)				
Lightsaber Food Ventures Private Limited	51	5.82	51	5.82
(Shares of ₹ 10/- each)				
Rare Plant Handicrafts Limited	514	19.46	0.00	2.58
(Shares of ₹ 10/- each)				
Irida Interative Private limited	30	5.53	30	5.53
(Shares of ₹ 10/- each)				
Wi Digital Services Private Limited	2825	0.29	2825	0.29
(Shares of ₹ 10/- each)				
Rocktium Com Technology Private Limited	84	0.01	84	0.01
(Shares of ₹ 10/- each)				
Instoried Research Labs Pvt Ltd	344	0.03	344	0.03
(Shares of ₹ 10/- each)				
Ramtirth Leasing and Finance Co.P Ltd	9265	0.93	9265	0.93
(Shares of ₹ 10/- each)				
My Aashiana Management Services Pvt Ltd	25480	26.31	0.00	24.23
(Shares of ₹ 10/- each)				
(c) Investment in CCD				
In Other(at amortised cost)				
Positive Food Ventures Pvt Ltd - CCD	3,394	4.75	1,697	2.38
(CCD of ₹ 10/- each)				
Gozing Technology Pvt Ltd - CCD	35	2.10	35	2.10
(CCD of ₹ 10/- each)				
Legalpay Technology Pvt Ltd - CCD	500	5.00	-	-
(CCD of ₹ 10/- each)				
Ncome Tech Solutions Pvt Ltd - CCD	20	2.80	-	-
(CCD of ₹ 10/- each)				
(d) Others				
In Others (at amortised cost)				
Venture Capital Fund			100	80.32
9Unicorns Accelerator Fund - I	85,000	85.00	70,000	70.00
(Units of ₹ 100/- each)				
Blinc Fund II	350	35.00	200	20.00
(Units of ₹ 10000/- each)				
Z Nation Lab Growth Fund	2,270	232.59	1,582	162.00

(Units of ₹ 100/- each)				
Artha Select Fund	10,000	10.00	-	-
(Units of ₹ 100/- each)				
Beams Fintech Fund I	35,000	35.00	-	-
(Units of ₹ 100/- each)				
Siriusone Capital Fund	25,000	25.46	-	-
(Units of ₹ 100/- each)				
India Quotient Fund II- Venture Capital Fund	100	75.91	-	-
(Units of ₹ 100000/- each)				
Artha Venture Fund-I	27000	77.14	27000	51.42
(Units of ₹ 100/- each)				
LV Angel Fund	11	11.36	11	11.36
(Units of ₹ 100000/- each)				
Vested Finance Inc	59491	0.01	59491	0.01
(Shares of ₹ 10/- each)				
Mycelium Software	84000	0.01	84000	0.01
(Shares of ₹ 10/- each)				
Laminar Global	30000	27.37	30000	27.37
(Shares of ₹ 10/- each)				
Field Proxy Inc.	123725	4.66	-	-
(Shares of ₹ 10/- each)				
Rubis Capital Advisors LLP	-	5.12		5.12
3.13% Share		-		-
Quoted				
a) Equity Instruments (at fair value through other comprehensive income)				
Tirupati Sarjan Limited	3,75,000	34.08	3,75,000	27.23
(Shares of ₹ 10/- each)				
(a) Total investments.		1,345.16		996.70
(b) Aggregate of unquoted investments.		1,311.08		969.47
(c) Aggregate of quoted investments		34.08		27.23
(d) Aggregate provision for diminution in value-quoted		40.88		47.73
(e) Market value of quoted investment		34.08		27.23

NOTE 5: LOANS

Particulars	(₹ in lakhs)			
	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
(Unsecured, considered good)				
(a) Loan considered good - secured	-	-	-	-
(b) Loan considered good - unsecured	5,353.86	1,364.67	5,084.18	497.36
(c) Loans which have significant increase in Credit Risk	-	-	-	-
(d) Loans - Credit impaired	-	-	-	-
	5,353.86	1,364.67	5,084.18	497.36
Less: Allowance for doubtful debts	-	-	-	-
Total	5,353.86	1,364.67	5,084.18	497.36

5.1: No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 36.

There are no Loans or advances in the nature of loans granted to promoters, directors, KMPS and the related parties.

NOTE 6: OTHER FINANCIAL ASSETS:

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
Other Financial Assets				
- Deposit	2.01	133.04	173.07	-
- Interest accrued on loan, deposit prepaid expenses etc.	50.13	0.17	0.84	2.36
- Other Receivables	-	-	-	121.06
Advance to Staff	61.34	-	-	-
Total	113.48	133.21	173.91	123.42

NOTE 7: OTHER ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
Capital Advances	2.06	0.65	-	146.90
Advances other than capital advances				
Security Deposit				
-With Statutory Authorities	-	0.92	-	0.92
-Others	-	60.40	-	0.32
OTHER ADVANCES:				
Advance against share	-	111.05	-	158.47
Advance against expenses	2,200.41	2.01	4,452.94	3.59
-Statutory authorities employees-paid expenses etc.	268.01	14.12	428.18	9.70
Other receivables	2,620.11	164.43	1,292.10	98.52
Total	5,090.59	353.58	6,173.22	418.42

NOTE 8: INVENTORIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At lower of cost and net realisable value		
(a) Raw materials	3,483.00	3,089.74
(b) Work-in-progress	3,975.32	1,326.25
(c) Finished goods	860.87	1,012.90
(d) Stores and spares	162.99	96.58
(e) Printing Ink	31.60	14.45
Total	8,513.78	5,539.92

NOTE 9: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(a) Trade Receivables considered good- secured	-	-
(b) Trade Receivables considered good- unsecured	10,702.97	8,085.99
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables -Credit impaired	-	-
	10,702.97	8,085.99
Less: Allowance for doubtful debts	-	-
Total	10,702.97	8,085.99

Trade receivables ageing schedule as at 31st March, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good						
(ii) Undisputed Trade receivables - which have significant increase in credit risk	9,262.19	1,211.35	19.07	33.40	161.56	10,687.57
(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	-	-	-	33.40	176.96	10,702.97

Trade receivables ageing schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	7,791.02	44.05	72.9	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

9.1: No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 36.

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a) Balances with banks		
i) in current accounts	735.67	1059.34
ii) Cheques on hand	-	-
iii) in fixed deposit account with original maturity upto 3 months*	2824.59	275.00
	3,560.26	1,334.34
b) Cash on hand	12.64	6.99
Total	3,572.90	1,341.33

*includes accrued interest ₹ 21.97 lakhs (previous year ₹ NIL)

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

NOTE 11: OTHER BANK BALANCES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Bank deposits with original maturity for more than 3 months but not more than 12 months (including accrued interest thereon)		
with Bank *	1,102.10	73.57
Total	1,102.10	73.57

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

*includes accrued interest ₹ 12.72 lakhs (previous year ₹ 2.72 lakhs)

** includes deposits ₹ 74.55 lakhs (pr. yr. ₹ 56 lakhs) including accrued interest lien with the bank against bank guarantee.

NOTE 12: CURRENT TAX ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Income tax Refund		3.49
Total	-	3.49

NOTE 13: SHARE CAPITAL

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount ₹ in lakhs	No. of Shares	Amount ₹ in lakhs
Authorised				
Equity Shares of 2/- each	14,50,00,000	2,900.00	14,50,00,000	2,900.00
	14,50,00,000	2,900.00	14,50,00,000	2,900.00
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

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

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount ₹ in lakhs	No. of Shares	Amount ₹ in lakhs
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

13.02: Details of shareholders holding more than 5%

Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	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	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 31 st March, 2023		% Change during the year	As at 31 st March, 2022		% Change during the year
	No. of shares	% of total shares		No. of shares	% of total shares	
Promoter name						
Sat Invest Pvt Ltd	5,08,35,000	44.95	NIL	5,08,35,000	44.95	NIL
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 31 st March, 2023	As at 31 st March, 2022
1. SECURITIES PREMIUM		
As per the last year accounts	8,000.75	8,000.75
Add: Addition/(deduction) during the year	-	-
Transfer from Capital issue expenses*	(937.12)	-
	7,063.63	8,000.75
2. CAPITAL RESERVE		
As per the last year accounts	2,584.29	2,584.29
Add: Addition/(deduction) during the year	3,114.00	-
Less: Deduction during the year	-	-
	5,698.29	2,584.29
3. GENERAL RESERVE		
As per the last year accounts	127.04	127.04
Add: Addition/(deduction) during the year	-	-
	127.04	127.04
4. RETAINED EARNINGS		
As per the last year accounts	6,541.93	4,556.28
Add: Surplus for the year	4,280.16	2,098.74
Transfer to Statutory Reserve	(3.32)	-
Dividend	(285.69)	(113.09)
Adjustments on amalgamation	(588.97)	-
	9,944.11	6,541.93
5. Foreign Currency Translation Reserve		
As per the last year accounts	874.10	770.15
Add: Addition during the year	233.62	103.95
	1,107.72	874.10
6. Equity Instruments through Other Comprehensive Income:		
As per the last year accounts	(47.73)	(49.12)
Add: Addition during the year	6.86	1.39
	(40.87)	(47.73)
7. Statutory Reserve		
As per the last year accounts	6.48	6.48
Add: Addition during the year	3.32	0
	9.80	6.48
8. Capital issue Expenses		
As per the last year accounts	(54.18)	-
Add: Addition/(deduction) during the year	(918.32)	(54.18)
Transfer to security premium	937.12	0
	(35.38)	(54.18)
Equity attributable to the owners of the parent	23,874.34	18,086.86
Non-controlling interest	4615.84	242.95
TOTAL	28,490.18	18,329.81

* Public issue expenses amounting to ₹ 937.12 lakhs have been adjusted against Securities Premium in accordance with the provisions of section 52 of the Companies Act, 2013.

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:

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.

NOTE 15: BORROWINGS - NON CURRENT

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Secured				
From Bank				
UCO Bank - Term Loan ₹ 50 lakh (a)	-	-	3.59	-
UCO Bank - Term Loan ₹ 114 lakh (b)	39.87	2.94	37.46	46.52
UCO Bank - Term Loan ₹ 84.67 lakh (c)	5.57	78.32	-	84.67
UCO Bank - Term Loan 10Crore (d)	200.00	733.33	-	-
UCO Bank - Term Loan Car (e)	4.88	12.38	-	-
HDFC Bank Truck Loan (f)	4.31	18.61	-	-
Kotak Mahindra Bank (g)	16.07	12.12	14.83	28.08
Yes Bank (h)	2.92	12.92	11.06	0.86
ICICI Bank Limited (i)	-	-	3.25	-
Kotak Mahindra Bank -FCTL(j)	1,516.06	1,667.19	1,126.52	1,486.55
Kotak Mahindra Bank - Working capital Rupee term loan under ECLGS (k)	294.25	289.32	281.17	584.71
Indusind Bank -EPC (l)	-	-	10.44	-
Indusind Bank -EIGCS (m)	-	-	11.24	14.04
	2,083.93	2,827.13	1,499.56	2,245.43
	2,083.93	-	1,499.56	-

(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 ₹ 411750.00 each commencing from 8th December, 2022 and the last instalment is repayable on 7th May, 2022. Rate of interest as on 31st March, 2023 is 7.30% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Company.

(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 31st March, 2023 is 9.25% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Company.

(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 15th December, 2023 and the last instalment is repayable on 15th December, 2026 Rate of interest as on 31st March, 2023 is 9.25% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Company.

- (d) 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 ₹ 1666667.00 each commencing from 15th December, 2023 and the last instalment is repayable on 15th June, 2028 Rate of interest as on 31st March, 2023 is 10.95% per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Company.
- (e) Borrowings from UCO Bank is secured against Hypothecation of Vehicle No. RJ27-UE-0279. The loan is repayable in 60 equal monthly instalments ₹ 40649.00 each commencing from 6th June, 2022 and the last instalment is repayable on 31st May, 2027 Rate of interest as on 31st March, 2023 is 10.20% per annum.
- (f) Borrowings from HDFC bank is secured against Hypothecation of Vehicle No.RJ27-GE-0153. The loan is repayable in 60 equal monthly instalments ₹ 49946.00 each commencing from 15th November, 2022 and the last instalment is repayable on 15th October, 2027 Rate of interest as on 31st March, 2023 is 8.02% per annum.
- (g) Secured against hypothecation of Motor Car and Bus.
- (h) 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 9th March, 2018 and the last instalment is repayable on 2nd March, 2023. There is no continuing default in the repayment of instalment and interest thereon. Rate of interest as on 31st March, 2023 is 8.10% per annum & Term loan from Yes Bank is secured against hypothecation of Car no. MH01 DX 9934. The

loan is repayable in 60 equated monthly instalments of ₹ 37,079/- each commencing from 15th June, 2023 and the last instalment is payable on 15th May, 2027. Rate of Interest as on 31st March, 2023 is @7.51%. There was no continuing default in the repayment of instalment and interest thereon.

- (i) 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 10th October, 2015 and the last instalment is repayable on 10th August, 2022 There is no continuing default in the repayment of instalment and interest thereon. The rate of interest as on 31st March, 2023 is 10.00% p.a. with monthly rests.
- (j&k) 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**.
- (l) 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 27th December, 2019 and the last instalment is repayable on 22nd December, 2022. Rate of interest as on 31st March, 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 31st March, 2022 (Pr. yr. Euro 28980.93 @ exchange rate of ₹ 86.099).
- (m) 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 31st July, 2023 and the last instalment is repayable on 30th June, 2024. Rate of interest as on 31st March, 2022 is 9.25% per annum. It is also secured by personal guarantee of directors Mr. Murtaza Ali Moti and Mrs. Fatima Moti.

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

NOTE 16: OTHER FINANCIAL LIABILITIES

Particulars	(₹ in lakhs)			
	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
Other Payables	2.10	0.67	-	-
	2.10	0.67	-	-

NOTE 17: DEFERRED TAX LIABILITIES

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	As at 31 st March, 2022
a) Deferred Tax Liabilities		
Opening Balance	287.47	184.07
(+) Opening Balance of subsidiaries	-	-
(+) Current year deferred tax liabilities	99.93	110.97
(-) Current deferred tax assets for leave encashment	0.30	0.66
(-) Deferred Tax Asset created on losses now reversed	(0.49)	6.91
Total	387.59	287.47
b) MAT Credit Entitlement	53.13	
	334.46	-

NOTE 18: CURRENT BORROWINGS

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
Secured				
Current maturity of Long term debt	2,083.93		1,499.56	
(*for security refer to Note 15)				
From Bank				
Repayable on demand				
UCO Bank Cash Credit (a)& (ai)	1,123.59		681.98	
Indusind Bank (b)	-		31.75	
Dutsche Bank OD (c)	0.99		94.70	
Unsecured				
From Bank				
Dutsche Bank PCFC (d)	-		158.52	
Indusind Bank -FCTL(EPC) (e)	-		105.42	
ICICI Bank (f)	280.00		270.33	
Others				
TFCL(g)	-		290.61	
Others	4,173.78		3,681.69	
	7,662.29		6,814.56	

- (a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work -in progress, stores and spares, book debts, and packing materials etc. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Company. Rate of interest as on 31st March, 2023 is 11.20% per annum.
- (i) Includes also cash credit facilities availed by the subsidiary -Fibcorp Polyweave Private Limited amounting to ₹ 241.48 lakhs. The same is secured 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. of the subsidiary Company situated at G-1 202-203, IID center RIICO, Kaladwas, Udaipur. It is also secured by way of personal guarantee of Mr. Murtaza Moti, Director of the Company. Rate of interest as on 31st March, 2023 is 11.20% per annum.
- (b) 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.
- (c) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Whole-time Director of the Company. Rate of interest as on 31st March, 2023 is 9.95% per annum .
- (d) Guaranteed by Mr. Asad Daud and Mr. Hakim Sadiq Ali Tidiwala, directors of Sah Polymers Limited. Rate of interest as on 31st March, 2023 is LIBOR + 350 bps.
- (e) Guaranteed by Mr. Asad Daud and Mr. Hakim Sadiq Ali Tidiwala, directors of Sah Polymers Limited. Rate of interest as on 31st March, 2023 is 9.30% per annum.
- (f) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Whole-time Director of the Parent Company. Rate of interest as on 31st March, 2023 is 10.80% per annum.
- (g) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, directors of Sah Polymers Limited. Rate of interest as on 31st March, 2023 is 11.00% per annum.
- There is no continuing default on repayment of interest.

NOTE 19: TRADE PAYABLE - CURRENT

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
Total outstanding dues of micro enterprises and small enterprises		883.08		8.66
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,397.22		4,729.37
	-	5,280.30	-	4,738.03

Trade payables ageing schedule as at 31st March, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed - Micro & small enterprises	883.08	-	-	-	-	883.08
(ii) Undisputed Others	4,389.59	4.18	-	-	2.40	4,396.17
(iii) Disputed dues - Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	0.40	0.65	-	-	-	1.05
Total	5,273.07	4.83	-	-	2.40	5,280.30

Trade payables ageing schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed - Micro & small enterprises	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

NOTE 20: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Statutory Liabilities	146.67	102.16
Advance recd from customers	1,152.43	953.92
Other payable	155.09	650.72
	1,454.19	1,706.80

NOTE 21: PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a. Provision for Gratuity	13.68	0.50
b. Leave encashment	1.98	32.25
	15.66	32.75

NOTE 22: CURRENT TAX LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Income Tax (Net of advance tax)	701.30	897.28
	701.30	897.28

NOTE 23: REVENUE FROM OPERATION

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
(a) Manufactured Goods	42796.14	30848.33
(b) Traded Goods:	2911.03	2171.68
(c) Sale of services:		
I) Job work	28.82	64.25
II) Commission - DCA	92.17	76.27
III) Lease Rent	119.39	168.46
IV) Market Research Services	0.00	90.24
(d) Interest Income (Business)	533.62	343.15
(e) Other Operating Income		
I) RIPS Subsidy	0.00	415.32
II) Miscellaneous Income	142.8	495.31
	46,623.97	34,673.01

NOTE 24: OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Income from Interest on Fixed Deposits amortise cost	465.29	3.43
Interest on Income tax refund	1.69	0.30
Foreign Exchange Fluctuation	679.75	-
Miscellaneous Income	2.73	82.06
Profit on sales of Property, Plant and Equipment	248.34	240.82
Profit on sales of Investment	156.38	148.60
TOTAL	1,554.18	475.21

NOTE 25: COST OF MATERIALS CONSUMED

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Opening Stock	3089.74	2201.19
Add: on subsidiary acquisition	0.00	322.32
Add: Purchases and adjustments	33620.91	21849.12
	36710.65	24372.63
Less: Closing Stock	3,483.00	3,089.74
	33227.65	21282.89

NOTE 26: PURCHASE OF STOCK IN TRADE

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Purchases - Traded Goods	835.19	2036.26
	835.19	2036.26

NOTE 27: CHANGE IN INVENTORIES

(₹ in lakhs)			
Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022
Opening Stock:			
Finished Goods	1,012.90		536.98
Add: Goods produced on trial run	12.73		-
Add: Adjustments on Subsidiary acquisition	-	1,025.63	209.00 745.98
Work-in-progress	1,326.25		1235.15 -
Add: Goods produced on trial run	118.66	1,444.91	0.00 1,235.15
Traded Goods		1.09	0.70
		2,471.63	1,981.83
Less: Closing Stock			
Finished Goods		860.87	1,012.90
Work-in-progress		3,975.32	1,326.25
Traded Goods		-	1.09
		4,836.19	2,340.24
(Increase)/decrease in inventories		(2,364.56)	(358.41)

NOTE 28: EMPLOYEE BENEFITS

(₹ in lakhs)			
Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022
(i) Salaries, wages and bonus	2,557.89		1,936.30
(ii) Contribution to provident and other funds	104.63		84.37
(iii) Staff welfare expenses	165.87		155.28
(iv) Gratuity Fund contributions	115.02		15.57
TOTAL	2,943.41		2,191.52

* Net of Employee Benefits Capitalised of ₹ 109.33 lakhs (Previous Year ₹ 69.04 lakhs).

NOTE 29: FINANCE COST*

(₹ in lakhs)			
Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022
(a) Interest expense			
(i) Interest on borrowings	620.22		712.70
(ii) Interest on delayed payment of taxes	19.67		6.81
(iii) Foreign Exchange Fluctuation of PCFC	3.54		0.00
(b) Other borrowing costs - Bank/Processing Charges	45.84		17.23
TOTAL	689.27		736.74

* Net of Interest Capitalised of ₹ 160.41 lakhs (Previous Year ₹ 55.46 lakhs).

NOTE 30: OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Consumption of stores and spare parts	96.49	45.91
Electric & Power	631.64	315.91
Processing Labour Charges	72.76	34.23
Fuel & Lubricant	28.41	292.61
Fabric Weaving Expenses	111.70	90.06
Bag Stitching Expenses	146.06	121.70
Bag Printing Expenses	15.35	22.97
Printing Ink	51.70	36.10
Repairs & Maintenance (Plant & Machinery)	567.22	584.26
Job Charges	1,139.40	63.21
Packing Materials	49.83	12.91
Carriage Outward	338.94	114.69
Export Freight, Insurance & other Expenses	973.60	785.88
Rebate, Claim & Discounts	6.64	9.58
Shorting and Counting charges	29.10	19.15
Commission on sales	64.90	41.39
Office Expense	159.54	197.97
Insurance Charges	68.62	68.27
CSR Activity	43.45	21.48
Legal & Professional Exp.	32.77	14.76
Payment to Auditors		
(i) as Audit Fee	13.29	5.18
(ii) for taxation matters	-	0.22
(iii) for reimbursement expenses	0.05	0.03
Other manufacturing Exp,	308.25	30.67
Bank Commission	62.02	54.68
Licence Fees	146.99	82.91
Repairs & Maintenance (Others)	44.42	28.13
Sundry balances written off	31.59	30.14
Foreign Currency Exchange Fluctuation	307.71	-
Consultancy Charges	27.32	11.81
Conveyance & Travelling Expenses	270.70	60.05
Miscellaneous Expenses	659.46	454.59
TOTAL	6,499.92	3,651.45

* Net of Other Expenses Capitalised of ₹ 42.85 lakhs (Previous Year ₹ 3.56 lakhs).

NOTE 31: ADDITIONAL INFORMATION

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
(i) Depreciation on Property, Plant and Equipment	692.98	567.93
(ii) Amortisation of Intangible Assets	24.17	13.12
	717.15	581.05

NOTE 32: EARNINGS PER SHARE

(₹ in lakhs)		
Particulars	2022-2023	2021-2022
Earning per share has been computed as under		
(a) Profit for the year	4,505.88	3,870.65
(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)	3.98	3.42
- Diluted (a/d)	3.98	3.42

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent liabilities:

Claims against the Group not acknowledged as debts - ₹ 0.79 lakhs (2022 - ₹ 1.61 lakhs) including interest on claims, where applicable, estimated to be. These comprise:

Income tax for A.Y. 2017-18 net of deposit under appeal.(excluding interest and penalty, if any) ₹ 0.00 (2022 - ₹ 6.64 lakh)

GST for the FY 2017-18 including interest and penalty - ₹ 226.20 (2022 - ₹ 0.00)

- Income tax ₹ 2.40 lakhs Net of deposit (2022 - ₹ 1.61 lakhs) Net of deposit including interest on income tax.

(b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	779.42
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GUARANTEES	31 st March, 2022	31 st March, 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)	9160	5800
d) Guarantees issued by banks secured by bank deposits under lien with the bank ₹ 73.48 (pr yr ₹ 50.63) lakhs	700	500

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

Name	Country of incorporation	% of ownership interest as at 31 st March, 2023	% of ownership interest as at 31 st March, 2022
Subsidiaries:			
Sah Polymers Limited	India	55.50	91.79
Italica Furniture Private Limited *	India	-	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
Italica Global FZC, UAE	UAE	100.00	100.00

*amalgamated with the parent Company

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 Group funds its operations through internal accruals,

borrowings etc. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Group determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from operations.

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 Group funds its operations through internal accruals, borrowings etc. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

During the year, to support the capital requirements, Sah Polymers Limited, one of the subsidiaries has raised a sum of ₹ 6630 lakhs through an Initial Public Offer of 10200000 equity shares of ₹ 10/- each at a premium of ₹ 55/- per share. The issue closed on 04.01.2023 and the equity shares were traded and listed on two premier stock exchanges of India namely BSE and NSE with effect from 12.01.2023. With this the paid up share capital of the Company stood at ₹ 2579.60 lakhs and Securities Premium at ₹ 4952.88 lakhs after adjusting the public issue expenses.

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.

Particulars	(₹ in lakhs)			
	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non - current	Current	Non - current
A. Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalent	3,572.90	3,572.90	1,341.33	1,341.33
ii) Other Bank balance	1,102.10	1,102.10	73.57	73.57
iii) Loans	5,353.86	5,353.86	5,084.18	5,084.18
iv) Debenture	14.65	14.65	4.48	4.48
v) Funds etc.	587.46	587.46	395.10	395.10
vi) Trade receivables	10,702.97	10,702.97	8,085.99	8,085.99
vii) Other financial assets	246.69	246.69	297.33	297.33
Sub Total	21580.63	21580.63	15281.98	15281.98
b) Measured at fair value through OCI				
i) Equity Instrument-unquoted	708.97	708.97	569.89	569.89
ii) Equity Instruments-quoted	34.08	34.08	27.23	27.23
Sub Total	743.05	743.05	597.12	597.12
Total Financial assets	22323.68	22323.68	15879.10	15879.10
B. Financial Liabilities				
a) Measured at amortised cost				
i) Borrowings	10,489.42	10,489.42	9,059.99	9,059.99
iii) Trade payables	5,280.30	5,280.30	4,738.03	4,738.03
iv) Other financial liabilities	2.10	2.10	-	0.00
Total financial liabilities	15771.82	15771.82	13798.02	13798.02

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.

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.

(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. INR).

The currency profile of financial assets and financial liabilities As at 31st March, 2023 and 31st March, 2022 are as below:

(₹ in lakhs)			
Particulars	Exposure currency	As at 31 st March, 2023	As at 31 st March, 2022
Financial assets (A)			
(i) Trade receivables	USD	5,582.51	4,220.80
	EURO	1,488.16	1,248.14
	GBP	75.51	30.94
Total (i)		7146.19	5,499.88
(ii) Advance to Suppliers	USD	119.98	76.73
		119.98	76.73
Total(i+ii)		7,266.17	5,576.61
Financial Liabilities (B)			
(i) Trade payable	USD	933.60	598.88
	EURO	98.24	93.13
	GBP	46.22	1.99
Total (i)		1,078.06	693.99
(ii) Foreign Currency Term Loan	EURO	3,172.18	2,612.60
		3,172.18	2,612.60
(iii) Advance - Customers	USD	493.08	818.72
	EURO	10.72	96.51
Total (iii)		503.80	915.23
Total(I to iv)		4,754.05	4,221.83
Net Exposure (A-B)		2,512.12	1,354.78

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 others 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.

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO/GBP at 31st March 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)	31 st March, 2023	125.61	125.61
Profit/(Loss)	31 st March, 2022	67.74	67.74

(₹ in lakhs)

2. 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 Group. 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 Group 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.

3. 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 ₹ 34449.68 lakhs (2022 - ₹ 26475.61 lakhs) including Cash and cash equivalents and Other bank balances of ₹ 3572.90 lakhs (2022 - ₹ 1341.33) lakhs) against an aggregate Current liability of ₹ 15115.84 lakhs (2022 - ₹ 14189.42 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 2827.80 lakhs (2022 - ₹ 2245.43 lakhs) and Non-current liability due after three years amounting to ₹ 2827.80 lakhs (2022 - ₹ 2245.43) on the reporting date. Further, while the Group's total equity stands at ₹ 30751.88 lakhs (2022 - ₹ 21168.50 lakhs), it has borrowings of ₹ 10489.42 lakhs (2022 ₹ 9059.99 ₹ lakhs). In such circumstances, liquidity risk or the risk that the Group 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

- 1) Mrs. Shehnaz D Ali, Whole-time Director.
- 2) Mr. Harikant Turgalia, Whole-time Director and Chief Financial Officer.
- 3) 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	2022-23	2021-22	Nature of transaction
Mr. Harikant Turgalia	Whole-time Director	16.20	14.99	Salary
Mrs. Shehnaz D. Ali	Whole-time Director	16.74	15.20	i) Salary
Sat Invest Pvt. Ltd.	Promoter Company & Major Shareholder	0.12	0.02	ii) Fees paid on behalf
A Flex Invest Pvt Ltd		0.07	1.53	iii) Exp Paid on behalf
		9.90	9.47	iv) Rent Paid
Taha Charitable Trust	Director is trustee	47.70	-	CSR expenditure

(₹ in lakhs)

Closing balances

Name	31 st March, 2023	31 st March, 2022
Mrs. Shehnaz D. Ali	1.40	1.27
Mr. Harikant Turgalia	1.35	1.07

(₹ in lakhs)

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 ₹ 190.19 lakhs (31st March, 2022 ₹ 185.99 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.

(₹ in lakhs)				
Tax Credits carried forward	As at 31 st March, 2023	Expiry date	As at 31 st March, 2022	Expiry date
2009-10	-	31.03.2025	0.08	31.03.2025
2010-11	-	31.03.2026	1.18	31.03.2026
2011-12	-	31.03.2027	0.42	31.03.2027
2012-13	-	31.03.2028	0.00	31.03.2028
2013-14	-	31.03.2029	0.00	31.03.2029
2014-15	-	31.03.2030	0.00	31.03.2030
2015-16	-	31.03.2031	7.62	31.03.2031
2016-17	4.41	31.03.2032	44.04	31.03.2032
2017-18	113.12	31.03.2033	113.12	31.03.2033
2018-19	1.74	31.03.2034	1.74	31.03.2034
2019-20	17.28	31.03.2035	17.28	31.03.2035
2022-21	0.51	31.03.2036	0.51	31.03.2036
2022-23	53.13	31.03.2038	0.00	-

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.

Provident Fund:

The Group makes Provident Fund contribution to the Government administered Provident fund. The Group 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 ₹ 17.51 lakhs (previous year ₹ 14.98 lakhs) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 25.38 lakhs (previous year ₹ 8.87 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 31 st March, 2023	As at 31 st March, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
(i) Principal amount	883.08	8.66
(ii) Interest	0.00	0.00
(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.

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 - ₹ 47.70 lakhs (2022 - ₹ 7.50 lakhs)

(₹ in lakhs)

Information relating to the Micro, Small and Medium Enterprises	As at 31 st March, 2023	As at 31 st March, 2022
(1) Gross amount required to be spent by the Group during the year	48.36	7.50
(2) Amount spent during the year on:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
Health	0.66	-
Education	47.70	7.50
	48.36	7.50

Out of (1) above, ₹ 47.70 lakhs (Previous Year ₹ 7.50) contributed to Taha Charitable Trust which is related party and ₹ 0.66 lakhs were contributed to Asha Dham (charitable institution).

NOTE 42:

As per Ind AS 108 "Operating Segment", the segments details (after elimination of intra group transactions) are as under.

(₹ in lakhs)

Particular	As at 31 st March, 2023	As at 31 st March, 2022
Segment Revenue		
(a) Trading	1,299.30	1,020.31
(b) Manufacturing:		
(i) Flexible Packing	8,735.61	8,101.09
(ii) Stainless Steel Hose	26,040.74	24,125.97
(iii) SS Wirerod	9,865.43	1,026.71
(c) Finance	682.89	398.93
Total	46,623.97	34,673.01
Other Income	1,554.18	475.21
Total Revenue	48,178.15	35,148.22

Segment results		
(a) Trading	43.86	501.53
(b) Manufacturing:		
(i) Flexible Packing	234.16	546.50
(ii) Stainless Steel Hose	3,640.18	3,804.13
(iii) SS Wirerod	91.97	28.06
(c) Finance	65.75	(328.71)
Total Segment Results	4,075.92	4,551.51
Other Income	1,554.18	475.21
Exceptional Income	199.50	-
Profit before tax	5,829.60	5,026.72
Provision for tax		
Income tax	1,221.32	1050.4
Deferred Tax	102.39	105.67
Profit after tax	4,505.89	3,870.65
Segment Assets		
(a) Trading	3459.14	3594.8
(b) Manufacturing:		
(i) Flexible Packing	11768.16	6869.64
(ii) Stainless Steel Hose	21362.36	18313.97
(iii) SS Wirerod	1212.54	751.2
(c) Finance	11227.78	8361.22
Total	49029.98	37890.83
Segment Liabilities		
(a) Trading	-	468.74
(b) Manufacturing:		
(i) Flexible Packing	3577.67	3424.83
(ii) Stainless Steel Hose	9977.82	9721.48
(iii) SS Wirerod	716.24	468.74
(c) Finance	4004.78	2638.54
Total	18276.51	16722.33
Capital Employed	30753.47	21168.50
Capital Expenditure		
(a) Trading	1.09	6.13
(b) Manufacturing:		
(i) Flexible Packing	3,011.46	152.94
(ii) Stainless Steel Hose	1,545.50	703.54
(c) Finance	16.80	7.10
Total	4574.85	869.71
Depreciation and amortization		
(a) Trading	1.60	14.22
(b) Manufacturing:		
(i) Flexible Packing	140.33	100.65
(ii) Stainless Steel Hose	521.90	418.43
(c) Finance	53.31	47.75
Total	717.14	581.05

(₹ in lakhs)

GEOGRAPHICAL INFORMATION	2023	2022
Non Current Assets		
- Within India	14580.30	16955.13
- Outside India	0	0
1. Revenue from external customers		
- Within India	17,523.00	8,224.70
- Outside India	28184.17	24795.31

NOTE 43:

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on 31st March, 2023 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 25th May, 2023.

NOTE 50:

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

(₹ in lakhs)		
Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Not later than one year	97.74	167.34
Later than one year and not later than five years	0.00	0.00
Later than five years	0.00	0.00

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 wilful 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 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, 2022 (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 13th November, 2022. 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 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:

6. The Honourable National Company Law Tribunal at Mumbai allowed the Company's petition CP(CAA)50/MB/2023 and sanctioned the scheme of amalgamation involving the amalgamation of its wholly owned subsidiary companies namely Italica Furniture Private Limited and Aeroflex International Limited under section 230-232 of the Companies Act, 2013 vide its order dated 6th January, 2023 with it, with an appointed date 1st April, 2020. The accounts have, therefore, been re-stated with effect from 1st April, 2020 incorporating financials of the amalgamated companies.

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

NOTE 63:

- (a) The Board of Directors of the parent Company has recommended Final Dividend of ₹ 0.10 per Equity Share

for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022 - ₹ 0.15 per equity share) to be paid on fully paid Equity Shares amounting to ₹ 113.09 lakhs. The Final Dividend is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. Including the Interim Dividend of ₹ 0.10 per equity share (for the year ended 31st March, 2022 - ₹ Nil per equity share) declared by the Board of Directors, the total Equity Dividend for the year ended 31st March, 2023 is ₹ 0.20 per Equity share (total Equity Dividend for the year ended 31st March, 2022 - ₹ 0.15 per equity share).

As approved by the shareholders a dividend of ₹ 0.15 per equity share aggregating to ₹ 169.63 lakhs in respect of year ended 31st March, 2022 has been paid during the year.

As approved by the Board of Directors an Interim dividend of ₹ 0.10 per equity share aggregating to ₹ 113.09 lakhs in respect of year ended 31st March, 2023 has been paid during the year.

- (b) The Board of Directors of the Aeroflex Industries Limited and Sah Polymers Limited, subsidiaries have also recommended final dividend of ₹ 0.20 per equity shares of ₹ 2/- each and ₹ 0.50 per equity shares of ₹ 10/- each respectively for the financial year 2022-23.

NOTE 64:

Events after the Reporting Period

The Board of Directors of parent have recommended dividend of ₹ 0.10 per fully paid up equity share of ₹ 2/- each for the financial year 2022-23.

The Board of Directors of the Aeroflex Industries Limited and Sah Polymers Limited, subsidiaries have also recommended final dividend of ₹ 0.20 per equity share of ₹ 2/- each and ₹ 0.50 per equity share of ₹ 10/- each respectively for the financial year 2022-23.

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	Amount (₹ In lakhs)	Share in Other comprehensive income		Share in Total comprehensive income	
	As% of consolidated net assets	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	23.31	7171.88	8.03	345.84	2.85	6.86	7.76	352.70
Subsidiary								
Indian								
Sah Polymers Limited	27.48	8450.37	10.26	441.82	-	-	9.72	441.82
Aeroflex Industries Limited	37.02	11384.54	64.11	2760.67	0.18	0.44	60.73	2,761.11
Aeroflex Finance Private Limited	0.94	286.84	0.39	16.60	-	-	0.37	16.60
Foreign								
Italica Global FZC	11.25	3458.25	17.21	741.48	96.97	233.18	21.42	974.66
Total	100	30751.88	100	4306.41	100	240.48	100	4546.89

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

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBZ7870

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

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 31st March, 2023 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 31st March, 2023 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 30 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 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, 2022 ("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** 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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:

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 does not have any pending litigations which would impact its financial position except disclosed in note 33(a) to the accounts.
- (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/or paid during the year by the Company is in compliance with Section 123 of the Act.

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

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

Place of signature: Mumbai
Date: 25th May, 2023

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 the 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 noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year the Company has 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 31 st March, 2023
Subsidiaries	650.00	NIL
Joint venture	NIL	NIL
Associates	NIL	NIL

(₹ in lakhs)

Guarantee to	Aggregate amount during the year	Amount outstanding as on 31 st March, 2023
Subsidiaries	9160	9160
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 31st March, 2023
Loan to others	682.20	5498.45

- (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.
- (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:

(₹ in lakhs)		
Aggregate amount	% 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
1332.30	48.78%	650.00

- (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 31st March, 2023 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
CGST ACT, 2017	GST demand (net of deposit)	226.20	2017-18	Under 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 on 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 Wilful 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 money by way of an 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-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, the reporting under clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.

- (d) Based on the information and explanations provided by the Management of the Company, the Group does not have any CIC, which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanation given to us and on the basis of the financial ratios (also refer note 56 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 42 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- (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.

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

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

Place of signature: Mumbai
Date: 25th May, 2023

ANNEXURE - B

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 31st March, 2023 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 7(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 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AJAY PALIWAL & Co.**

Chartered Accountants

Firm's Registration NO.: 12345C

Ajay Paliwal

Proprietor

M No.: 403290

UDIN: 23403290BGXWBY6917

Place of signature: Mumbai

Date: 25th May, 2023

STANDALONE BALANCE SHEET

As at 31st March, 2023

(₹ in lakhs)

Particulars	Notes	As at 31 st March, 2023	As at 31 st March, 2022
1	2		
ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipment	3	649.03	771.39
(b) Capital work -in- Progress			
(c) Investment Property			
(d) Goodwill			
(e) Other Intangible Assets	3A	0.15	0.16
(f) Intangible assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	5	5,461.71	5,317.34
(ii) Trade receivables			
(iii) Loans	6	1,362.70	497.35
(iv) Others		6,824.41	5,814.69
(i) Deferred tax assets (net)			
(j) Other non-current assets	7	125.50	168.54
2 Current assets			
(a) Inventories	8	361.73	398.40
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	9	850.81	352.80
(iii) Cash and cash equivalents	10	1,805.91	321.67
(iv) Bank balances other than (iii) above	11	-	2.02
(v) Loans	12	4,307.32	4,896.58
(vi) Others	13	45.17	125.90
(c) Current Tax Assets (Net)			
(d) Other current assets	14	1,489.17	2,273.97
Total Assets		16,459.20	15,126.12
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	2,261.70	2,261.70
(b) Other Equity	16	9,758.39	9,290.99
		12,020.09	11,552.69
LIABILITIES			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	12.92	1.55
(ia) Lease Liabilities			
(ii) Trade payables			
(iii) Other financial liabilities(other than those specified in item(b) to be specified)		12.92	1.55
(b) Provisions			
(c) Deferred tax liabilities (Net)	18	138.18	139.84
(d) Other non-current liabilities			
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3,471.11	2,879.43
(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.	20	716.24	469.63
(iii) Other financial liabilities(other than those specified in item(c))		4,187.35	3,349.06
(b) Other current liabilities	21	74.18	38.95
(c) Provisions			-
(d) Current Tax Liabilities (Net)	22	26.48	44.04
Total Equity and Liabilities		16,459.20	15,126.12

See accompanying notes to financial statements

1 to 62

As per our Report Attached

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

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2023

		(₹ in lakhs)	
Particulars	Notes	As at 31 st March, 2023	As at 31 st March, 2022
Income:			
I Revenue from operations	23	10,746.01	1,913.88
II Other income	24	616.59	438.85
III Total Income (I+II)		11,362.60	2,352.73
Expenses:			
IV Cost of Materials consumed	25	8,758.47	918.35
Purchases of Stock-in-Trade	26	140.00	364.76
Changes in inventories of finished goods work-in-progress and Stock -in-Trade	27	1.09	(0.38)
Employee benefits expense	28	114.33	85.73
Finance costs	29	197.85	139.89
Depreciation and amortization expense	31	54.92	61.97
Other expenses	30	1,211.52	176.91
Total expenses		10,478.18	1,747.23
V Profit before exceptional items and tax (III-IV)		884.42	605.50
VI Exceptional items		-	-
VII Profit/(loss) before tax (V-VI)		884.42	605.50
Tax expense:			
VIII (1) Current tax		137.29	101.07
(2) Provisions for tax of earlier years		4.04	-
(3) (Excess)/Short Provision for tax of earlier years			(0.55)
(4) Deferred tax		(0.27)	1.24
IX Profit/(loss) for the period from continuing operation (VII-VIII)		743.36	503.74
X Profit/(Loss) from discontinued operations.			
XI Tax expense of discontinued operations			
XII Profit/(loss) from discontinued operation (X-XI)		743.36	503.74
XIII Profit/(loss) for the period (IX+XII)		743.36	503.74
Other Comprehensive Income			
XIV A (i) Item that will not be reclassified to profit or loss			
Equity Instrument through other comprehensive		6.86	1.39
(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)		750.22	505.13
Earnings per equity share:(for continued Operation):			
XVI (1) Basic	32	0.66	0.45
(2) Diluted	32	0.66	0.45
Earnings per equity share:(for discontinued Operation):			
XVII (1) Basic			
(2) Diluted			
Earnings per equity share:(for discontinued & continuing operations)			
XVIII (1) Basic	32	0.66	0.45
(2) Diluted	32	0.66	0.45
See accompanying notes to the financial statement		1 to 62	

As per our Report Attached

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

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

Place of signature: Mumbai
Date: 25th May, 2023

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

STANDALONE CASH FLOW STATEMENT

For the Year 31st March, 2023

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
A	Cash Flow from Operating Activities		
	Net Profit before tax	884.42	605.50
	Adjustments for:		
	Depreciation	54.92	61.97
	Interest Paid	197.85	139.89
	Dividend Paid	(210.75)	
	Profit on sale of assets	(247.84)	(148.60)
	Profit on sale of Share	(156.38)	(240.72)
	Income tax for earlier year	4.04	0.55
	TDS not recoverable	1.05	0.02
	Operating Profit before working capital changes	527.31	418.61
	Adjustment for:		
	Trade Receivables	(498.01)	(257.96)
	Trade payables	246.62	440.13
	Loans	(276.09)	(316.23)
	Changes in Inventories	36.67	(397.69)
	Other financial assets	80.73	(125.90)
	Financial liabilities	591.68	1,433.16
	Non-financial liabilities	(1.66)	1.74
	Current liabilities	35.23	36.36
	Increase/(Decrease) non-current assets	43.04	(122.91)
	Increase/(Decrease) in other current assets	786.82	(1,010.47)
	Cash Generated from Operations	1,572.33	98.84
	Income Tax Paid	110.81	57.04
	Net Cash Inflow/(Out Flow) from Operation (A)	1,461.52	41.80
B	Cash Flow from Investing Activities:		
	Purchase of fixed assets	(17.89)	(13.07)
	Dividend	210.75	-
	Sale of property, plant and equipment	331.50	351.34
	Sale of Investments	398.34	259.92
	Purchase of investments -Non Current	(430.77)	(459.71)
	Net Cash Inflow/(Outflow) from investing Activities (B)	491.93	138.37
C	Cash flow from Financing Activities		
	Increase in borrowings	11.37	(25.73)
	Dividend payment including DDT	(282.71)	(113.09)
	Interest Paid	(197.85)	(139.89)
	Net Cash Inflow/(Out Flow) from Financing Activities (C)	(469.21)	(278.71)
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	1,484.24	(98.54)
	Cash and Cash equivalents at the beginning of the year	321.67	420.21
	Cash and Cash equivalents at the end of the year	1,805.91	321.67

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
I. Cash and cash equivalents as per above comprise of the following:		
Cash on hand	1.17	0.64
Balances with scheduled banks:		
- On current accounts	68.01	46.03
- On deposit accounts	1,736.73	275.00
(deposits having an original maturity of 3 months or less)		
Cash and cash equivalent as per note 10	1,805.91	321.67

II. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

The notes 1 to 62 form an integral part of the financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

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

Signatures to the Financial Statements and Notes

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

Place of signature: Mumbai
Date: 25th May, 2023

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442

STATEMENT OF CHANGES IN EQUITY

a) Equity Share Capital

(1) Current reporting period:

(₹ in lakhs)

	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	0.00	0.00	0.00	2261.70

(2) Previous reporting period:

(₹ in lakhs)

	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	0.00	0.00	0.00	2261.70

b) Other equity

(₹ in lakhs)

	Reserves & Surplus				Equity Instruments through other Comprehensive Income	Total
	Capital Reserve	Securities premium	General Reserve	Retained earnings		
Balance at the end of the reporting period -31 st March, 2023	338.25	7,898.00	47.40	183.00	(49.12)	8,898.95
Profit for the year		-		503.74	-	503.74
Other comprehensive income				-	1.39	1.39
Dividend				113.09	-	113.09
Total Comprehensive income for the year				-	-	-
Balance at the end of the reporting period -31 st March, 2022	338.25	7,898.00	47.40	573.65	(47.73)	9,290.99
Profit for the year		-		743.36	-	743.36
Other comprehensive income				-	6.86	6.86
Dividend				282.71	-	282.71
Total Comprehensive income for the year				-	-	-
Balance at the end of the reporting period -31 st March, 2023	338.25	7,898.00	47.40	1,034.30	(40.87)	9,758.39

As per our Report Attached

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

Ajay Paliwal
 Proprietor
 M No.: 403290
 UDIN: 23403290BGXWBY6917

Place of signature: Mumbai
Date: 25th May, 2023

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
 Whole-time Director
 DIN: 00185452

HARIKANT TURGALIA
 Whole-time Director and CFO
 DIN: 00049544

ALKA PREMKUMAR GUPTA
 Company Secretary
 M.No.: A35442

NOTES TO THE FINANCIAL STATEMENTS

1. COMPANY INFORMATION

- a) **Sat Industries Limited** (the Company), is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 12th Floor, B-wing, Mittal Tower, Nariman Point, Mumbai - 400 021.
- b) The Company is engaged in the business of international trading, investment and finance, leasing of assets, manufacturing of flexible packaging, hose pipes, education etc. through its 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 1st April, 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.

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:

- 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 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 1st April, 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.

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.

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 non monetary 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.

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.

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		
	Furniture and Fixtures	Vehicle	Computers	Office equipment	Moulds	Plant and Equipment	Total
Year ended 31st March, 2023							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	3.06	200.41	9.86	10.29	612.83	319.70	1156.15
Additions	0.00	16.14	1.09	0.66	0.00	0.00	17.89
Disposals/Adjustment	0.23	0.00	0.00	0.00	103.24	0.00	103.47
Closing Gross Carrying Amount	2.83	216.55	10.95	10.95	509.59	319.70	1070.57
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	1.83	133.68	6.51	6.71	148.82	87.21	384.76
Depreciation charged during the year	0.17	19.80	1.43	1.13	19.61	12.77	54.91
Disposals/Adjustments	0.00	0.00	0.00	0.00	18.13	0.00	18.13
Closing Accumulated Depreciation	2.00	153.48	7.94	7.84	150.30	99.98	421.54
Net Carrying Amount	0.83	63.07	3.01	3.11	359.29	219.72	649.03
Year ended 31st March, 2022							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	3.06	207.38	6.43	7.59	659.95	414.04	1298.45
Additions	0.00	0.00	3.43	2.70	6.94	0.00	13.07
Disposals/Adjustment	0.00	6.97	0.00	0.00	54.06	94.34	155.37
Closing Gross Carrying Amount	3.06	200.41	9.86	10.29	612.83	319.70	1156.15
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	1.58	122.41	5.56	5.60	144.44	87.95	367.54
Depreciation charged during the year	0.25	18.24	0.95	1.11	25.10	16.32	61.97
Disposals/Adjustments	0.00	6.97	0.00	0.00	20.72	17.06	44.75
Closing Accumulated Depreciation	1.83	133.68	6.51	6.71	148.82	87.21	384.76
Net Carrying Amount	1.23	66.73	3.35	3.58	464.01	232.49	771.39

Note:

- (a) The Company has no immoveable properties.
- (b) The Company has not revalued Property, Plant and Equipment.
- (c) The Company has not revalued its intangible assets.
- (d) The Company has no capital work in progress.
- (e) There is no intangible assets under development.

Note 4: INTANGIBLE ASSETS

(₹ in lakhs)

Software			
Year ended 31st March, 2023			
GROSS CARRYING AMOUNT			
Opening Gross Carrying Amount	0.16	-	0.16
Additions			
Disposals/Adjustment	-	-	-
Closing Gross Carrying Amount	0.16	-	0.16
ACCUMULATED DEPRECIATION			
Opening Accumulated Depreciation	-	-	-
Depreciation charged during the year	0.01	-	0.01
Disposals/Adjustments	-	-	-
Closing Accumulated Depreciation	0.01	-	0.01
Net Carrying Amount	0.15	-	0.15
Year ended 31st March, 2022			
Opening Gross Carrying Amount	-	-	-
Additions	0.16	-	0.16
Disposals/Adjustment	-	-	-
Closing Gross Carrying Amount	0.16	-	0.16
ACCUMULATED DEPRECIATION			
Opening Accumulated Depreciation	-	-	-
Depreciation charged during the year	-	-	-
Disposals/Adjustments	-	-	-
Closing Accumulated Depreciation	0.16	-	0.16

Note 5: INVESTMENTS - NON CURRENT

(₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	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 Global FZC	100	34.04	100	34.04
(Shares of AED 1850 each)				
Aeroflex Finance Private Limited	21,00,000	210.00	21,00,000	210.00
(Shares of ₹ 10/- each)				
Aeroflex Industries Ltd.	10,53,77,040	2,049.61	2,10,75,408	2,049.61
(Shares of ₹ 2/- each)				
(B) Investment in CCD				
Positive Food Ventures Pvt Ltd - CCD	3,394	4.75	1,697	2.38
(CCD of ₹ 10/- each)				
Gozing Technology Pvt Ltd - CCD	35	2.10	35	2.10
(CCD of ₹ 10/- each)				
Legalpay Technology Pvt Ltd - CCD	500	5.00		
(CCD of ₹ 10/- each)				
Ncome Tech Solutions Pvt Ltd - CCD	20	2.80		
(CCD of ₹ 10/- each)				
(C) Investment in CCPS				
Globalvalue Food And Condiments Pvt Ltd	26	2.50	26	2.50
(CCPS of ₹ 10/- each)				
Aubotz Labs Pvt Ltd	39	7.01	39	7.01
(Face Value 10/-)				
Botson Labs Private Limited	1,030	7.52	1,030	7.52
(Face Value 10/-)				

Broomees India Pvt Ltd (Face Value 10/-)	64	11.04	64	11.04
CarterPorter Pvt Ltd (Face Value 10/-)	44	3.60	22	1.80
Chakshu.AI Pvt Ltd (Face Value 10/-)	985	10.00	985	10.00
Comfypets Pvt Ltd (Face Value 10/-)	97	11.03	97	11.03
Crescere Technologies Pvt Ltd (Face Value 10/-)	10	7.00	10	7.00
Devnagri AI Private Limited (Face Value 10/-)	40	6.52	40	6.52
DVDP Technologies Pvt Ltd (Face Value 10/-)	79	7.01	79	7.01
Ensuredit Technologies Pvt Ltd (Face Value 10/-)	120	2.48	120	2.48
Expertrons Technologies Pvt Ltd (Face Value 10/-)	12	10.73	8	5.42
Frello Technology Pvt Ltd (Face Value 10/-)	39	9.23	39	9.23
Giggle Galaxy Private Limited (Face Value 10/-)	27,064	6.22	27,064	6.22
Joule Consulting Private Limited (Face Value 10/-)	240	6.69	240	6.69
Meliorism Switchism Pvt Ltd (Face Value 10/-)	129	10.07	129	10.07
Mothersense Technologies Pvt Ltd (Face Value 10/-)	2	4.28	1	2.14
Ncome Tech Solutions Pvt Ltd (Face Value 10/-)	42	5.09	42	5.09
Pinbox Inclusion Pvt Ltd (Face Value 10/-)	11	11.69	11	5.85
Prescinto Technologies Pvt Ltd (Face Value 10/-)	257	5.99	257	5.99
Qzense Labs Pvt Ltd (Face Value 10/-)	17	2.31	17	2.31
Sampatra Technologies Pvt Ltd (Face Value 10/-)	750	7.61	750	7.61
Seygnux Solutions Pvt Ltd (Face Value 10/-)	39	5.59	39	5.59
Shrikar Datakund Pvt Ltd (Face Value 10/-)	52	7.52	52	7.52
SPV Laboratories Pvt Ltd (Face Value 10/-)	7,400	7.03	7,400	7.03
Tecso Charge Zone Private Limited (Face Value 10/-)	2,191	4.60	2,191	4.60
"Wizzy Softech Pvt Ltd" (Face Value 10/-)	97	11.11	97	11.10
Asht Capital Pvt Ltd - CCPS (Face Value 10/-)	114	11.01		
Cybervikings Ventures Pvt Ltd/Nooble - CCPS (Face Value 10/-)	13	6.97		
DCG Tech Limited CCPS (Face Value 10/-)	4,340	25.00		
Globalvalue Food And Condiments Pvt Ltd - CCPS (Face Value 10/-)	26	2.50		
Gozing Technology Pvt Ltd - CCPS (Face Value 10/-)	115	4.25		

Mestis Energy Pvt Ltd - CCPS	104	11.01		
(Face Value 10/-)				
Red Basil Technologies Pvt Ltd - CCPS	904	11.01		
(Face Value 10/-)				
Riverus Technology Solutions Pvt Ltd - CCPS	93,862	15.00		
(Face Value 10/-)				
Snippt Media Pvt Ltd - CCPS	1,248	10.01		
(Face Value 10/-)				
Sunfox Technologies Pvt Ltd - CCPS	53	6.99		
(Face Value 10/-)				
TEXT MERCATO SOLUTIONS PVT LTD CCPS	15	5.02		
(Face Value 10/-)				
Thermal Energy Service Solutions Pvt Ltd - CCPS	155	11.05		
(Face Value 10/-)				
Zoofresh Foods Pvt Ltd - CCPS	2,159	15.29		
(Face Value 10/-)				
Easy To Pitch Networks Pvt Ltd	13	9.09		
(Face Value 10/-)				
(D) Investments in Others (fully paid up)				
(At fair value through other comprehensive income):				
Ensuredit Technologies Pvt Ltd - E/S	123	2.54	123	2.54
(Shares of ₹ 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
(Shares of ₹ 10/- each)				
Vphrase Analytics Solution Pvt Ltd	112	10.13	112	10.13
(Shares of ₹ 10/- each)				
GetUp For Change Services Private Limited				0.56
(Shares of ₹ 10/- each)				
Ideope Media Pvt Ltd	5	0.10	5	0.10
(Shares of ₹ 10/- each)				
Urbtranz Technologies Pvt Ltd	279	3.11	279	3.09
(Shares of ₹ 10/- each)				
Idea bubbles Consulting Services P Ltd				20.00
(Shares of ₹ 1/- each)				
Creditas Solutions Private Limited	2904	55.00	2904	55.00
(Shares of ₹ 10/- each)				
Zeva Capsol Private Limited	19634	20.01	19634	20.01
(Shares of ₹ 10/- each)				
Reconext Labs Private Limited	16	2.11	16	2.11
(Shares of ₹ 10/- each)				
Eduvanz Financing Private Limited	4294	31.40	4294	31.35
(Shares of ₹ 10/- each)				
Flickstree Productions P Ltd	50	6.19	50	6.19
(Shares of ₹ 10/- each)				
Metro politan Exchange Limited	500000	6.10	500000	6.10
(Shares of ₹ 1/- each)				
Nuve Pro Technologies Pvt Ltd	76920	20.00	76920	20.00
(Shares of ₹ 1/- each)				
Kalpnik Technologies Pvt Ltd	21688	5.12	21688	5.12
(Shares of ₹ 1/- each)				
Bohri Kitchen Pvt Ltd	55	4.73	55	4.73
(Shares of ₹ 10/- each)				
Karma Primary Healthcare Services Pvt Ltd	1188	5.97	1188	5.97
(Shares of ₹ 1/- each)				
Truelan Textiles Pvt Ltd	32	3.15	32	3.15
(Shares of ₹ 10/- each)				

SynThera Biomedical Private Limited (Shares of ₹ 10/- each)	82	5.03	82	5.03
Switchme Technologies and Services Pvt Ltd (Shares of ₹ 10/- each)	103	5.00	103	5.00
SSMaserTechnology Private Limited (Shares of ₹ 10/- each)			23	2.60
Insorce Operational Optimizers Pvt Ltd (Shares of ₹ 1/- each)	34165	5.00	34165	5.00
Mynvax Private Limited (Shares of ₹ 10/- each)	51	5.00	51	5.00
Supa Star Foods P Ltd (Shares of ₹ 10/- each)	136	9.97	136	9.97
Lenden Club Techserve P Ltd (Shares of ₹ 1/- each)	1011	0.01	1011	0.01
Lightsaber Food Ventures Private Limited (Shares of ₹ 10/- each)	51	5.82	51	5.82
Rare Plant Handicrafts Limited (Shares of ₹ 10/- each)	514	19.46		2.58
Irida Interative Private limited (Shares of ₹ 10/- each)	30	5.53	30	5.53
Wi Digital Services Private Limited (Shares of ₹ 10/- each)	2825	0.29	2825	0.29
Rocktium Com Technology Private Limited (Shares of ₹ 10/- each)	84	0.01	84	0.01
Instoried Research Labs Pvt Ltd (Shares of ₹ 10/- each)	344	0.03	344	0.03
Ramtirth Leasing and Finance Co.P Ltd (Shares of ₹ 10/- each)	9265	0.93	9265	0.93
My Aashiana Management Services Pvt Ltd (Shares of ₹ 10/- each)	25480	26.31		24.23
(E) INVESTMENT IN CONVERTIBLE PREFERENCE SHARES:				
Duronto Technologies Private Limited (Shares of ₹ 45/- each)	1122	10.00	1122	10.00
Lithasa Technologies Pvt Ltd Pre - Series A1 Cumulative Convertible Preference shares of ₹ 100/- each fully paid up	83	19.03	83	19.03
Ideope Media Pvt Ltd (Shares of ₹ 10/- each)		4.95		4.95
Stay Vista Private Limited (Shares of ₹ 10/- each)				10.01
Manali E-Business Pvt Ltd 0.01% (Shares of ₹ 10/- each)	112	5.04	112	5.04
Reverus Technology Solutions Pvt Ltd 0.01% (Shares of ₹ 10/- each)	31286	5.18	31286	5.18
Text Mercato Solutions Pvt Ltd (Shares of ₹ 10/- each)	32	5.18	32	5.18
Entellus Business Solutions Pvt Ltd (Shares of ₹ 10/- each)	17	2.89	17	2.89
Mynvax Pvt Ltd (Shares of ₹ 10/- each)	24	7.69	24	5.29
Trudel Faishion Private Limited (Shares of ₹ 10/- each)	33	5.19	33	5.19
Modaviti E-Marketing Pvt Ltd (Shares of ₹ 10/- each)	25	0.01	25	0.01
Skilancer Solar Private Limited (Shares of ₹ 10/- each)	36	2.09	36	2.09
Getsup for Change Service Pvt Ltd (Shares of ₹ 300/- each)	84	0.01	84	1.17
Mynvax Private Limited (Shares of ₹ 10/- each)	17	4.70	17	4.70

(F) Investment in Funds				
Venture Capital Fund				80.34
9Unicorns Accelerator Fund - I	85,000	85.00	70,000	70.00
(Units of ₹ 100/- each)				
BlinC Fund II	350	35.00	200	20.00
(Units of ₹ 10000/- each)				
Z Nation Lab Growth Fund	2,270	232.59	1,582	161.93
(Units of ₹ 100/- each)				
Artha Select Fund	10,000	10.00		
(Units of ₹ 100/- each)				
Beams Fintech Fund I	35,000	35.00		
(Units of ₹ 100/- each)				
Siriusone Capital Fund	25,000	25.50		
(Units of ₹ 100/- each)				
India Quotient Fund II- Venture Capital Fund	100	75.91		
(Units of ₹ 100000/- each)				
Artha Venture Fund-1	27000	77.14		51.43
(Units of ₹ 100/- each)				
LV Angel Fund	11	11.36		11.36
(Units of ₹ 100000/- each)				
Rubis Capital Advisors LLP		5.12		5.12
3.13% Share		.		.
B) Investments in Equity Instruments				
i) Quoted				
(a) Investments in Subsidiary (fully paid up)				
(Carried at cost)				
Sah Polymers Limited *	1,43,16,000	1,854.95	1,43,16,000	1,854.95
(Shares of ₹ 10/- each)				
(b) Others				
Tirupati Sarjan Limited	3,75,000	34.08	3,75,000	27.23
(Shares of ₹ 10/- each)				
Total		5,461.71		5,317.34
		As at 31st March, 2023		As at 31st March, 2022
Total Investment		5,461.71		5,317.34
Aggregate amount of Quoted Investments		1,889.03		74.96
Market value of the Quoted Investments		10,040.96		27.23
Aggregate amount of Unquoted Investments		3,590.61		5,290.11
Aggregate provision for diminution in value of investments		40.88		47.73

*quoted with effect from 12th January, 2023.

NOTE 6: FINANCIAL ASSETS

LOANS NON - CURRENT

			(₹ in lakhs)
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Other Loans:			
(a) Loan considered good - secured			
(b) Loan considered good - unsecured	1,362.70	497.35	
(c) Loans which have significant increase in Credit Risk			
(d) Loans - Credit impaired	1,362.70	497.35	
Less: Allowance for doubtful debts			
Total	1,362.70	497.35	

Note 6.1: No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties.

NOTE 7: OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advances other than capital advances		
- Others	0.32	0.32
OTHER ADVANCES:		
- With Statutory Authorities	14.12	9.75
- Advance Against shares	111.05	158.47
Total	125.50	168.54

Note 8: INVENTORIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At lower of cost and net realisable value		
Raw material - SS Billet	361.73	397.31
Stock - In - Trade	-	1.09
Total	361.73	398.40

NOTE 9: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(a) Trade Receivables considered good - secured		
(b) Trade Receivables considered good - unsecured	850.81	352.80
(c) Trade Receivables which have significant increase in Credit Risk		
(d) Trade Receivables - Credit impaired		
	850.81	352.80
Less: Allowance for doubtful debts		
Total	850.81	352.80

Note 9.1: No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties.

Trade receivables ageing schedule as at 31st March, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 6	6 months - 1 year	1 - 2 years	Total
(i) Undisputed Trade receivables - considered good	808.69	42.12		850.81
(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	808.69	42.12	-	850.81

Trade receivables ageing schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 6	6 months - 1 year	1 - 2 years	Total
(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

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in lakhs)				
Particulars	As at 31 st March, 2023	As at 31 st March, 2022		
a) Balances with banks				
i) in Current Accounts	68.01	46.03		
ii) in Fixed Deposit*	1,736.73	275.00		
b) Cash on hand	1.17	0.64		
Total	1,805.91	321.67		

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

*Includes interest accrued ₹ 11.73 lakhs (pr. yr. ₹ 0.00 lakhs)

NOTE 11: BANK BALANCE OTHERS

(₹ in lakhs)				
Particulars	As at 31 st March, 2023	As at 31 st March, 2022		
Bank Deposit with less than 12 months maturity		2.00		
- Interest accrued on deposit etc.	-	0.02		
Total		2.02		

NOTE 12: FINANCIAL ASSETS: LOANS CURRENT

(₹ in lakhs)				
Particulars	As at 31 st March, 2023	As at 31 st March, 2022		
(a) Loan considered good - secured				
(b) Loan considered good - unsecured *	4,307.32	4,896.58		
(c) Loans which have significant increase in Credit Risk				
(d) Loans - Credit impaired				
	4,307.32	4,896.58		
Less: Allowance for doubtful debts				
Total	4,307.32	4,896.58		

Note 12.1: No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note no. 35.

No loans and advances are due from directors or other officers and related party of the Company.

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 31 st March, 2023	Percentage to the total Loans & Advances in the nature of Loans as on 31 st March, 2023		
Promoters	-	-		
Directors	-	-		
KMP's	-	-		
Related Parties	-	1,201.73		
Total	-	1,201.73		

NOTE 13: OTHER CURRENT FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Bank Deposit with more than 12 months maturity *	2.01	-0
Other Financial Assets		
- Interest accrued on loan, deposit etc.	43.16	125.90
Total	45.17	125.90

Note 14: OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advances other than capital advances		
- Others	2.06	1.78
OTHER ADVANCES:		
- With Statutory Authorities	15.96	0.48
- Prepaid Expenses	1.99	29.55
- Employees	4.30	1.48
- Other Receivables	1,450.73	2,240.68
Advance to suppliers	14.13	-
Total	1,489.17	2,273.97

NOTE 15: SHARE CAPITAL

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount (₹ in lakhs)	No. of Shares	Amount (₹ in lakhs)
Authorised				
Equity Shares of 2/- each	14,50,00,000	2,900.00	14,50,00,000	2,900.00
	14,50,00,000	2,900.00	14,50,00,000	2,900.00
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 15.1: Reconciliation for No. of shares outstanding during the year

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount (₹ in lakhs)	No. of Shares	Amount (₹ in lakhs)
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 15.2: Details of shareholders holding more than 5%

(₹ in lakhs)

Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
1. Sat Invest Private Limited	5,08,35,000	44.95%	5,08,35,000	44.95%
2. DA Tradetech 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%
3. A Flex Invest Private Limited	75,00,000	6.63%	75,00,000	6.63%

15.3: The Company has only one class of equity shares having face value of ₹ 2/- each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

15.4: There are no calls unpaid on equity shares.

15.5: No Equity shares have been forfeited.

15.6: No shares have been reserved for issue under options.

15.7: 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 31 st March, 2023		As at 31 st March, 2022	
	No. of shares	% of holding	No. of shares	% of holding
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	6.38%	75,00,000	6.38%
Total	5,83,35,000	51.33%	5,83,35,000	51.33%

* Considered as per the information filed by the Company with stock exchanges for the year ended 31st March, 2023 and Annual return filed by the Company for the year ended 31st March, 2022.

Note 16: OTHER EQUITY

(₹ in lakhs)		
Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1. SECURITIES PREMIUM		
As per the last year accounts	7,898.00	7,898.00
Add: Addition during the year	-	-
	7,898.00	7,898.00
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	1,055.07	664.42
Add: Surplus for the year	743.36	503.74
	1,798.43	1,168.16
Less: Dividend on equity shares	282.71	113.09
	1,515.72	1,055.07
5. Equity Instruments through Other Comprehensive Income:		
As per the last year accounts	(47.73)	(49.12)
Add: Addition during the year	6.86	1.39
	(40.87)	(47.73)
TOTAL	9,758.39	9,290.99

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.

NOTE 17: BORROWINGS - NON CURRENT

(₹ in lakhs)

Promoter Name*	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non-current	Current	Non-current
Secured				
Term Loan				
From Bank				
Yes Bank (a)	2.92	12.92	11.06	0.86
Others	-	-	-	-
Kotak Mahindra Prime Limited (b)&©	-	-	8.43	0.69
ICICI Bank	-	-	3.25	-
	2.92	12.92	22.74	1.55

- (a) Term loan from Yes Bank is secured against hypothecation of Car no. MH01 DX 9934. The loan is repayable in 60 equated monthly instalments of ₹ 37,079/- each commencing from 15th June, 2023 and the last instalment is payable on 15th May, 2027. Rate of Interest as on 31st March, 2023 is @7.51% There was no continuing default in the repayment of instalment and interest thereon.
- (b) Term loan from Yes Bank is secured against hypothecation of Car no. MH01 DB 1251. Now the loan has been fully repaid and the last instalment is Paid on 2nd March, 2023. There was no continuing default in the repayment of instalment and interest thereon.
- (c) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 CT 6227. Now the loan has been fully repaid and the last instalment is Paid on 1st November, 2022. There was no continuing default in the repayment of instalment and interest thereon.
- (d) Term loan from Kotak Mahindra Prime Limited is secured against hypothecation of Car no. MH01 DK 9693. Now the loan has been fully repaid the last instalment is paid on 5th February, 2023. There was no continuing default in the repayment of instalment and interest thereon.
- (e) Term loan from ICICI Bank Limited is secured against hypothecation of Car no. MH01 CD 0522. Now the loan has been fully repaid is paid on 10th August, 2022. There was no continuing default in the repayment of instalment and interest thereon.

NOTE 18: DEFERRED TAX LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Opening Balance	139.84	138.59
Deferred tax liability		
Depreciation	(0.57)	0.58
Gratuity	0.30	0.66
Deferred tax assets		
Amalgamation	1.39	-
Gratuity		
Net amount charged to Profit & Loss	(0.27)	1.24
Total	138.18	139.84

NOTE 19: BORROWINGS - CURRENT

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current maturity of long term debt*	2.92	22.74
Others	3,468.19	2,856.69
	3,471.11	2,879.43

*for security etc. refer note 17

NOTE 20: TRADE PAYABLE

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	716.24	469.63
	716.24	469.63

Trade payables ageing schedule as at 31st March, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 6	6 months - 1 year	1 - 2 years	Total
(i) Undisputed - Micro & small enterprises				
(ii) Undisputed Others	706.91	4.18	0	711.09
(iii) Disputed dues - Micro & small enterprises				
(iv) Disputed dues - Others				
Total	706.91	4.18	0	711.09

Trade payables ageing schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 6	6 months - 1 year	1 - 2 years	Total
(i) Undisputed - Micro & small enterprises				
(ii) Undisputed Others	468.42	0.23	0.48	469.13
(iii) Disputed dues - Micro & small enterprises				
(iv) Disputed dues - Others				
Total	468.42	0.23	0.48	469.13

NOTE 21: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Statutory Liabilities	53.79	17.63
Advance from Customers	20.39	21.32
Total	74.18	38.95

NOTE 22: CURRENT TAX LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Income Tax (Net of advance tax)	26.48	44.04
Total	26.48	44.04

NOTE 23: REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
i) Trading	147.09	367.67
ii) Manufacturing Goods	9,865.43	1,026.71
iii) Services		
a) Income from Equipment Uses charges	119.39	168.46
b) Income from Interest	472.40	309.04
c) Income from Professional Fees	111.82	42.00
d) Commission	29.88	-
Total	10,746.01	1,913.88

NOTE 24: OTHER INCOME

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Profit from Sale of Investment in Shares	156.38	148.60
Other Income	1.62	49.53
Profit on sales of Assets	247.84	240.72
Income from Dividend	210.75	-
Total	616.59	438.85

NOTE 25: COST OF MATERIAL CONSUMED

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Opening Stock	397.31	
Add: Purchases and adjustments	8,722.89	1,315.66
	9,120.20	1,315.66
Less: Closing Stock	361.73	397.31
	8,758.47	918.35

NOTE 26: PURCHASE OF STOCK-IN-TRADE

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Traded Goods	140.00	364.76
Total	140.00	364.76

NOTE 27: Changes in Inventories

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
At the end of the Year		
Closing Stock	-	1.09
At the beginning of the Year		
Opening Stock	1.09	0.71
Total	1.09	(0.38)

NOTE 28: EMPLOYEE BENEFITS

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Salary, Bonus & Other Benefits	113.35	83.59
Gratuity fund contributions	0.98	2.14
Total	114.33	85.73

NOTE 29: FINANCE COST

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest on borrowing	191.64	139.19
Interest on delayed payment of tax	6.21	0.70
Total	197.85	139.89

NOTE 30: OTHER EXPENSES

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Payment to Auditor as:		
a. Statutory Audit fees	0.65	0.85
b. Certification Fees	-	0.17
Advertisement and Publicity	19.66	0.92
Business Promotion Exp.	-	0.18
Bank Charges and Commission	0.23	0.23
Conveyance Expenses	5.33	6.84
Depository Charges	1.50	1.50
CSR Activities	5.20	-
Electricity Expenses	2.38	2.03
Listing Fees	6.50	3.25
ROC Filing Fees	0.26	0.18
Consultancy Services	-	0.10
Insurance Expenses	1.70	0.92
Profession Tax Enrolment	0.03	0.11

GST Paid for Earlier Years	-	0.04
Web Development Expenses	2.94	0.61
Office Expenses	21.08	9.26
Printing/Stationery Expenses	1.71	1.10
Professional Charges	45.70	31.17
Miscellaneous expenses	-	2.39
Rent	20.32	19.70
GST Expenses	1.82	-
TDS not Recoverable	1.05	0.02
Tax Expenses	0.36	-
Directors Sitting fees	1.00	-
Job Charges	843.30	63.21
Carriage Outward	201.57	17.09
Telephone & Communication Expenses	4.44	2.97
Maharashtra Labour Welfare	0.01	0.01
Demat Charges	0.06	0.01
Travelling Expenses	5.97	4.45
Vehicle Insurance	1.83	0.68
Vehicle Running and Maintenance	12.60	6.92
Other expenses	2.32	-
Total	1,211.52	176.91

NOTE 31: ADDITIONAL INFORMATION

(₹ in lakhs)		
Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(i) Depreciation and amortization expenses		
(i) Depreciation	54.91	61.97
(ii) Amortization	0.01	-
	54.92	61.97

NOTE 32: EARNINGS PER SHARE

(₹ in lakhs)		
Particulars	2021-22	2021-22
Earning per share has been computed as under		
(a) Profit for the year	743.36	503.74
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	11,30,85,000.00	11,30,85,000.00
(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)]	11,30,85,000.00	11,30,85,000.00
(e) Earnings per share on profit for the year (Face Value ₹ 2.00 per share)		
- Basic (a/b)	0.66	0.45
- Diluted (a/d)	0.66	0.45

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)		
(a) Contingent liabilities - Claim not acknowledged as debt	As at 31 st March, 2023	As at 31 st March, 2022
Income tax for A.Y. 2017-18 net of deposit under appeal.(excluding interest and penalty, if any)	-	6.64
GST for the F Y 2017-18 including interest and penalty.	226.20	
Total	226.20	6.64

(₹ in lakhs)

GUARANTEES	As at 31st March, 2023	As at 31st March, 2022
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	3,360.00
(c) Commitments		
• Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	5.77

NOTE 34: DETAILS OF SUBSIDIARY

Name	Country of incorporation	% of ownership interest as at 31st March, 2023	% of ownership interest as at 31st March, 2022
Sah Polymers Limited *	India	55.50	91.79
Aeroflex Finance Private Limited	India	100.00	100.00
Aeroflex Industries Limited	India	92.18	92.18
Italica Global FZC, UAE	UAE	100.00	100.00

*% of ownership interest reduced from 91.79% to 55.50% following initial public issue by the Company.

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	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at amortised cost				
i) Cash and cash equivalent	1,805.91	1,805.91	321.67	321.67
ii) Other Bank balance	-	-	-	-
iii) Loans	5,670.02	5,670.02	5,393.93	5,393.93
iv) Trade receivables	850.81	850.81	352.80	352.80
v) Other financial assets	45.17	45.17	125.90	125.90
Sub Total	8,371.92	8,371.92	6,194.30	6,194.30
A.				
a) Measured at fair value through OCI				
i) Equity Instrument	3,168.10	3,168.10	3,023.69	3,023.69
Sub Total	3,168.10	3,168.10	3,023.69	3,023.69
Total Financial assets	11,540.01	11,540.01	9,217.99	9,217.99
b) Financial Liabilities				
Measured at amortised cost				
i) Borrowings	3,484.03	3,484.03	2,880.98	2,880.98
ii) Trade payables	716.24	716.24	469.63	469.63
iii) Other financial liabilities	-	-	-	-
Total financial liabilities	4,200.27	4,200.27	3,350.61	3,350.61

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 31st March, 2023 is ₹ 431.05 lakhs (2022- ₹ 437.18 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.

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counter party 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 ₹ 8860.12 lakhs (2022 - ₹ 7972.94 lakhs) including Cash and cash equivalents and Other bank balances of ₹ 1805.91 lakhs (2022 - ₹ 321.67 lakhs) against an aggregate Current liability of ₹ 4288.01 lakhs (2022- ₹ 3432.05 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 12.92 lakhs (2022 ₹ 1.55 lakhs) and Non-current liability due after three years amounting to ₹ NIL (2022 NIL) on the reporting date. Further, while the Company's total equity stands at ₹ 12020.09 lakhs (2022 - ₹ 11552.69 lakhs), it has current borrowings of ₹ NIL (2022 - ₹ 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 24**(i) Subsidiary:**

- 01. Sah Polymers Limited
- 02. Aeroflex Finance Private Limited
- 03. Aeroflex Industries Limited
- 04. Italica Global .FZC, UAE

(ii) Step down subsidiary:

Fibcorp Polyweave Private Limited

(iii) Key Managerial Persons

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

(iv) Taha Charitable Trust

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

(₹ in lakhs)

Name of related party	2022-23	2021-22	Nature of transaction
Mr. Harikant Turgalia	16.20	14.99	Remuneration
Mrs. Shehnaz D. Ali	16.74	15.20	i) Remuneration
Sat Invest Pvt. Ltd.	0.12	0.02	i) Fees paid on behalf
Aeroflex Finance Pvt. Ltd.	-	2.75	i) Unsecured Loan Given
	-	8.36	ii) Loan repayment received
	2.24	5.61	iii) Fees paid on behalf
Sah Polymers Ltd.	250.00	895.44	i) Unsecured Loan Given
	1,030.00	313.93	ii) Unsecured Loan Repaid
	59.36	20.86	iii) Interest Paid
Aeroflex Industries Ltd.	400.00	607.86	i) Unsecured Loan Given
	7.69	90.49	ii) Interest Received
	400.00	607.86	iii) Loan repayment received
	-	24.00	iv) Professional Fees
	3.30		v) Exp Paid on behalf
	111.82	18.00	vi) Finance Management Consultancy
A Flex Invest Pvt Ltd	0.07	1.53	i) Exp Paid on behalf
	9.90	9.47	ii) Rent Paid
Taha Charitable Trust	5.20	-	CSR expenditure

Closing balances

(₹ in lakhs)

Name	31 st March, 2023	31 st March, 2022
Mrs. Shehnaz D. Ali	1.40	1.27
Mr. Harikant Turgalia	1.35	1.07
Sah Polymers Ltd.	-	780.00

Closing balances in the case of other parties is NIL.

None of the related parties balances has been written off.

NOTE 36: DISCLOSURES PURSUANT TO SECTION 186 (4) OF THE COMPANIES ACT, 2013

- (i) for investment refer to note 5.
- (ii) for guarantee refer to note 33(b). Guarantee has been utilised by the recipient for business.
- (iii) No security has been provided.
- (iv) Details of the loans provided during the year are as under:

Name of the borrower	Amount given during the year (₹ In lakhs)	Tenure	Rate of interest	Utilised
Sah Polymers Ltd.	250.00	Repayable on demand	12% per annum	For Business purpose
Aeroflex Industries Ltd.	400.00	Repayable on demand	12% per annum	For Business purpose
Park Continental Pvt. Ltd.	682.30	2 Year	12% per annum	For Business purpose

NOTE 37:

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 ₹ 0.0 lakhs (31st March, 2022 ₹ 9.05 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 31 st March, 2023	Expiry Date	As at 31 st March, 2022	Expiry Date
2009-2010	-		0.08	31.03.2025
2010-2011	-		1.18	31.03.2026
2011-2012	-		0.42	31.03.2027
2015-2016	-		7.62	31.03.2031
2016-2017	4.41	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

NOTE 38: TAX RECONCILIATIONS

(₹ in lakhs)		
Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax:		
Current tax on profits for the year	137.29	101.07
Deferred tax (Net)	(0.27)	1.24
Total income tax expenses	137.02	102.31

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 31 st March, 2023	As at 31 st March, 2022
Profit before income tax	493.52	395.86
Indian statutory income tax rate	28%	28%
Expected income tax expenses	137.30	109.98
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income ax Expenses		
Tax effects of amounts which are not deductible for taxable income		9.27
MAT Credit Adjust		(9.05)
Others		(9.12)
	-	(8.90)
Total income tax expenses	137.30	101.08

Deferred Tax (Liabilities)

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Property Plant and Equipment	54.91	61.97
Gratuity	0.98	2.14
Total deferred tax liabilities	55.89	64.11

Net Deferred tax (Liabilities)/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 31st March, 2021	141.35	-	133.84
(Charged)/Credited to Profit and Loss	4.60	-	4.60
As at 31st March, 2022	145.95	-	138.44
(Charged)/Credited to Profit and Loss	(0.27)	-	(0.27)
As at 31st March, 2023	145.68	-	138.17

NOTE 39: 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 ₹ 0.98 lakhs (Previous Year ₹ 0.31 lakhs) has been included in Note 25 under Contribution to Provident and Other Funds.

NOTE 40:

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

Information relating to the Micro, Small and Medium Enterprises	As at 31 st March, 2023	As at 31 st March, 2022
(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 41:

As per Ind AS 108 "Operating Segment", the segments details are as under:

(₹ in lakhs)		
Particulars	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
Segment Revenue		
Trading	147.09	367.67
Manufacturing	9,865.43	1,026.71
Finance & Investment	733.49	519.50
Total	10,746.01	1,913.88
Other Income	616.59	438.85
Total Revenue	11,362.60	2,352.73
Segment results		
Trading	7.09	2.91
Manufacturing	61.00	28.44
Finance & Investment	199.74	135.30
Total Segment Results	267.83	166.65
Other Income	616.59	438.85
Profit before tax	884.42	605.50
Provision for tax	141.06	101.76
Profit after tax	743.36	503.74
Segment Assets		
Trading	850.81	352.80
Manufacturing	361.73	398.40
Finance & Investment	15,246.66	14,374.92
Total	16,459.20	15,126.12
Segment Liabilities		
Trading	5.89	20.98
Manufacturing	710.35	448.65
Finance & Investment	3,722.86	3,103.81
Total	4,439.11	3,573.43
Capital Expenditure		
Trading	17.89	6.13
Manufacturing	-	6.94
Finance & Investment	-	-
Total	17.89	13.07
Depreciation and amortization		
Trading	22.53	20.55
Manufacturing	32.38	41.42
Finance & Investment	-	-
Total	54.91	61.97

(₹ in lakhs)		
GEOGRAPHICAL INFORMATION	31st March, 2023	31st March, 2022
Non Current Assets		
- Within India	7,599.09	6,754.78
- Outside India	-	-
1. Revenue from external customers		
- Within India	10,746.01	1,913.88
- Outside India	-	-

NOTE 42:**Expenditure incurred on corporate social responsibility activities**

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities - ₹ 5.20 (2022 - ₹ Nil lakhs)

(₹ in lakhs)

Information relating to the Micro, Small and Medium Enterprises	As at 31 st March, 2023	As at 31 st March, 2022
(1) Gross amount required to be spent by the Company during the year	5.20	-
(2) Amount spent during the year on:		-
(i) Construction/acquisition of any asset	0	-
(ii) On purposes other than (i) above-Health and education	5.20	-

Out of (1) above, ₹ 5.20 lakhs (Previous Year ₹ NIL) contributed to Taha Charitable Trust which is related party.

NOTE 43:

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on 31st March, 2023 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 49:

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

(₹ in lakhs)

Particular	As at 31 st March, 2023	As at 31 st March, 2022
Not later than one year	97.74	112.20
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 a declared willful defaulter by any bank or financial institution or other lender.

NOTE 46:

These financial statements were approved for issue with a resolution of the Board of Directors on 25th May, 2023.

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 to the Companies Act, 2013 unless otherwise stated.

NOTE 48:

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements read with the note 57.

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:

The Vehicle loan has been satisfied as mentioned in note 17 and the relevant form filed with ROC.

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	Ratio	Explanation for any change in ratio by more than 25% as compared to previous year
		As at 31 st March, 2023	As at 31 st March, 2022	
(a) Current ratio	Current assets/ Current Liabilities	2.07	2.44	Increase in short term borrowings to meet temporary paucity of funds
(b) Debt equity ratio	Total Debt/ Shareholder's Equity	0.29	0.25	Increase in borrowings mainly offset by improved shareholders' equity due to increase in profits
(c) Debt Service Coverage Ratio	EBITDA/ Debt Service	2.36	0.66	Increase in borrowings mainly offset by improved shareholders' equity due to increase in profits
(d) Return on Equity	Net profit after taxes/Average Shareholder's equity	6.31%	4.44%	Increase in profit realisation per rupee of equity investment
(e) Inventory turnover ratio	Cost of Goods Sold/ Average Inventory	23.42	6.43	Improved turnaround of inventory holding period
(f) Trade Receivables turnover ratio	Net credit sales/Average accounts Receivable	17.86	8.55	Improvement in collection efforts
(g) Trade payables turnover ratio	Net Credit purchase/ Average Trade Payables	14.95	6.75	Better credit terms negotiated
(h) Net capital turnover ratio	Net Sales/Working capital	2.35	0.39	Efficient utilisation of available working capital by the management
(i) Net profit Margin	Net profit/Net sales	6.92%	26.32%	Decrease in net margin due to venturing into stainless steel manufacturing business
(j) Return on Capital employed	Earning before interest and taxes/Capital Employed	8.89%	6.37%	Increase in profit realisation per rupee of investment
(k) Return on investment	Income generated from investment/ Time weighted average investment	N.A.	N.A.	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 invetments in subsidiary companies whicha are made with the purpsoe of acquisition of business.

NOTE 57:

Significant Arrangements interms of section 230 to 237 of the Companies act, 2013. during the Year.

Scheme of Amalgamation of Italica Furniture Private Limited and Aeroflex International Limited with the Company:

Pursuant to the Scheme of Amalgamation (the Scheme) approved by the Hon'ble National Company Law Tribunal (NCLT), Mumbai bench, vide order dated 6th January, 2023, Italica Furniture Private Limited and Aeroflex International Limited with the Company. These companies are engaged in the business of trading, investment and renting machineries.

This being a common control business combination, the financial information of the wholly owned subsidiaries are included in the financial statement of the Company and has been restated for comparative purpose from the appointed date i.e.

1st April, 2020, which is the date as prescribed in the Scheme approved by the NCLT and is as per MCA General Circular dated 21st August, 2019 overriding the requirements of Appendix C of Ind AS 103, based on the accepted accounting practice. Effective date of amalgamation is 1st April, 2020.

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) the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTE 58:

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 59:

The Company has done an assessment to identify Core Investment Company (CIC) [including CICs in the Group] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The Company is not a CIC and no entities have been identified as CIC in the Group, of which Company is a part.

NOTE 60:

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

NOTE 61:

The Board of Directors of the Company has recommended Final Dividend of ₹ 0.10 per Equity Share for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022 - ₹ 0.15 per equity share) to be paid on fully paid Equity Shares amounting to ₹ 113.09 lakhs. The Final Dividend is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. Including the Interim Dividend of ₹ 0.10 per equity share (for the year ended 31st March, 2022 - ₹ Nil per equity share) declared by the Board of Directors, the total Equity Dividend for the year ended 31st March, 2023 is ₹ 0.20 per Equity share (total Equity Dividend for the year ended 31st March, 2022 - ₹ 0.15 per equity share).

- (b) As approved by the shareholders a dividend of ₹ 0.15 per equity share aggregating to ₹ 169.63 lakhs in respect of year ended 31st March, 2022 has been paid during the year.
- (c) As approved by the Board of Directors an Interim dividend of ₹ 0.10 per equity share aggregating to ₹ 113.09 lakhs in respect of year ended 31st March, 2023 has been paid during the year.

NOTE 62:

Events after the Reporting Period.

The Board of Directors have recommended dividend of ₹ 0.10 per fully paid up equity share of ₹ 2/- each for the financial year 2022-23.

The Notes referred to above form an integral part of the Financial Statements.

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

Ajay Paliwal
Proprietor
M No.: 403290
UDIN: 23403290BGXWBY6917

Place of signature: Mumbai
Date: 25th May, 2023

Signatures to the Financial Statements and Notes

SHEHNAZ D ALI
Whole-time Director
DIN: 00185452

HARIKANT TURGALIA
Whole-time Director and CFO
DIN: 00049544

ALKA PREMKUMAR GUPTA
Company Secretary
M.No.: A35442



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