



SAH POLYMERS LIMITED

www.sahpolymers.com

CIN: U24201RJ1992PLC006657

SPL/Stock Exchanges/2023-2024/18

June 21, 2023

The Manager,
Listing Department,
National Stock Exchange Limited,
'Exchange Plaza', C-1, Block-G
Bandra Kurla Complex
Bandra (E),
Mumbai-400051.
Scrip Code: SAH

The Secretary, ✓
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.
Scrip code: 543743

Subject: Submission of Annual Reports for the Financial year 2022-23 of the Company.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are submitting herewith the Annual reports of the company for the financial year 2022-23.

The aforesaid Annual Report is also available on website of the Company's at www.sahpolymers.com

You are requested to take the above information on your record.

Thanking you,

Yours faithfully,
For **SAH POLYMERS LIMITED**

Hakim Sadiq Ali Tidiwala
Whole time Director
DIN:00119156

Encl; as above



ANISO9001:2015
Reg.No.RQ91/7969

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Moving forward. Achieving more.

We at Sah Polymers are always on the move. Our insatiable thirst for progress and excellence propels us forward, driving us to achieve more and conquer new heights. As we take flight into the new financial year, we carry with us the momentum of past victories and the lessons of past challenges. These winds of change may blow us in new directions, but our unwavering spirit remains constant, ready to take on whatever comes in our way.

This feeling of determination, of pushing forward no matter what obstacles lie ahead, is what drives us at Sah Polymers. The essence for this year's Annual Report, 'Moving forward. Achieving more' is more than just a theme. It is a mantra that encapsulates our unwavering commitment to progress, growth and innovation.

We firmly believe that in order to exceed our own expectations and reach new heights, we must continuously move forward, as we refuse to settle for mediocrity or complacency.

Just like a runner at the starting line, we are ready to take on new challenges and move forward with a sense of purpose. We believe that by pushing ourselves to achieve more, we can create value not just for our stakeholders, but for the world around us.

Leafing through this year's Annual Report, we would like to showcase how we are putting this theme into action. From the launch of our recent IPO to our ongoing efforts to improve the quality of our products, everything we do is focused on **moving forward, achieving more.**

Inside this report

STRATEGIC REVIEW

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Apart from the IPO, another significant development for FY23 was the successful acquisition of a controlling stake in Fibcorp Polyweave, making it a subsidiary of Sah Polymers.

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Forward Looking Statement

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

COMPANY OVERVIEW

Our story the pursuit of excellence

Welcome to the world of Sah Polymers Limited, where innovation and quality are more than just buzzwords; they are a way of life. Since our inception in 1992, we have been a pioneering force in the manufacturing and exporting of bulk packaging solutions in India, consistently setting new benchmarks in product quality and customer service.

Our reputation as a reliable and trusted partner to our customers is a testament to our exceptional workforce, state-of-the-art infrastructure, and unrelenting pursuit of technical excellence. All of this, combined with our keen eye on quality control has set the stage for us to forge long-term relationships with our customers, cementing our position as the go-to choice for industry-specific products at competitive prices.

The dawn of a new era

Moving forward, as we embark on a new chapter in our journey with the Company's successful IPO in 2023, we are more committed than ever to growth, capacity expansion, enhanced presence, and above all, delivering even greater value to all our stakeholders. However, the IPO is just one step in our greater vision to strengthen our capital structure, enable seamless and efficient business operations, and ultimately, deliver sustained value to our shareholders.

At Sah Polymers, we don't just provide packaging solutions; we empower our customers to make the right choices. In this exciting journey, we look forward to a future full of possibilities, opportunities, and growth. After all, as the old saying goes, 'the only constant in life is change', and we at Sah Polymers are always ready to embrace change with a heart full of determination.

Note: Capacity utilisation on old capacity of 3,960 MTPA. New capacity commissioned in January 2023.



Years of experience

30+

State-of-art facilities

2

Installed capacity

7,920

MTPA

Capacity utilisation*

78%

Committed workforce

280+

Export markets catered

28

Journey leading up to IPO

- 1992**
Incorporated with our guiding principles that have served us well for more than 30 years now
- 2001**
Received the Certificate of Import-Export Code (IEC), which enabled the Company to venture in the global markets and leverage on the DGFT's export schemes
- 2012**
Received the ISO 9001:2015 certification and made quality and continuous improvement an essential component of its culture
- 2017**
Awarded the Star Export House certificate, highlighting its leadership position in its business niche and an impeccable track record of international trade
- 2019**
Sah Polymers amalgamated its wholly-owned subsidiary Sat E-Com Limited (SEL) into the Company
- 2021**
Acquired land for its second manufacturing facility in Udaipur, with an aim to double its manufacturing capacity
- 2022**
Strategic acquisition of controlling stake in Fibcorp Polyweave Private Limited, making it a subsidiary of the Company
- 2023**
Successful IPO launch marking the beginning of a new era for its future endeavours
Commissioned second manufacturing facility at Modi, Udaipur; doubling the total production capacity from 3,690 TPA to 7,920 TPA

Over-subscription received for the IPO

17x

Key industries we serve

- Agro Chemicals
- Pharmaceuticals
- Cattle Feed
- Cement
- Chemical
- Food & Beverages
- Metals & Minerals
- Textile
- Tyre
- Paper
- Fertilisers

PRODUCT PORTFOLIO

One stop for every bulk packaging need

It's not just packaging solutions, we offer our clients peace of mind.

At Sah Polymers, we are not just packaging providers, we are packaging perfectionists. Our unyielding commitment to producing top-tier products has led us to create an ever expanding portfolio of bulk packaging solutions. From our flexible intermediate bulk containers (FIBCs) to our woven fabrics and bags, our entire range has been crafted with care and precision to meet the diverse range of different industries. Our products are battle-tested and proven to withstand the toughest conditions across a variety of sectors, from agro-chemicals and cement to textiles and beyond.

Our product offering comprises 2 major categories, namely bulk packaging solutions and polymers.



Polymer Division

We, at Sah Polymers, are the authorised Del Credere Associate (DCA) of Indian Oil Corporation (IOCL) for their polymer division, specifically for the state of Rajasthan. The appointment attests to our dedication to quality and reliability, which has been recognised by one of the largest and most-respected names in the petrochemicals industry.

With our undisputed understanding of the market landscape, we are equipped to effectively manage the dealer operated polymer warehouses (DOPW) of IOCL in Udaipur and Jaipur, and efficiently market and distribute their premium polymer products, which include high-quality polypropylene (PP) and high-density polyethylene (HDPE), and linear low-density polyethylene (LLDPE).

In today's rapidly evolving market, businesses require trustworthy partners who can provide them with top-quality products and expert guidance. At Sah Polymers, we strive to be that dependable partner, offering unparalleled expertise and services that enable our clients to stay ahead of the curve.

PRODUCT PORTFOLIO (CONTD.)

Bulk Packaging Solutions

**PP Woven Fabric Rolls**

Being a leading manufacturer and exporter of PP/HDPE woven fabric in India, we offer:

- Fabric rolls available in circular widths ranging from 45 cm to 250 cm, and flat widths spanning 90 cm to 500 cm
- Ability to customise the fabric according to client specific needs, including colour, width, and weight options that range from 50 GSM to 270 GSM
- Six-colour flexographic printing (6 colours) up to a fabric width of 150 cm, and gusset as per requirements
- The PP/HDPE woven fabric rolls are UV stabilised to ensure maximum durability and longevity

**BOPP Laminated Woven Bags**

- Featuring impeccable clarity, flatness and high-quality picture printing that adds to the aesthetic appeal
- These bags have a multi-layered composition, with one layer made of interwoven PP/HDPE fabric and multicolour printing on both sides, providing stunning finish to brand logos and designs
- For printing, we use only UV treated ink to ensure the highest level of quality & durability.
- The bags are reusable, and extremely durable, thus making them a sustainable solution for modern packaging needs

**PP Woven Bags**

- A complete range of durable PP woven bags for various industries
- The bags are non-toxic and eminently tear resistant, making them a preferred choice for storing and transporting food and pharmaceuticals
- Available in tabular widths ranging from 45 cm to 250 cm and mesh options of 10x10, 11x11, 12x12, and 14x14
- The bags come with a range of top cut options, making them very flexible and versatile
- Micro-perforation option allows proper air circulation, sustaining the freshness and quality packed fruits and vegetables

**PP Box Bags**

- A wide range of PP/HDPE box bags are available in various colours, sizes, and stitching patterns
- Boast a thickness ranging from 55 GSM to 120 GSM, making them sturdy enough to handle heavy loads with ease
- Dirt and dust resistant, and provides excellent protection against humidity and moisture, thus ensuring the safety of the contents
- High-quality print and eye-catching designs give it an edge over others
- An eco-friendly choice for packaging solutions

**FIBC**

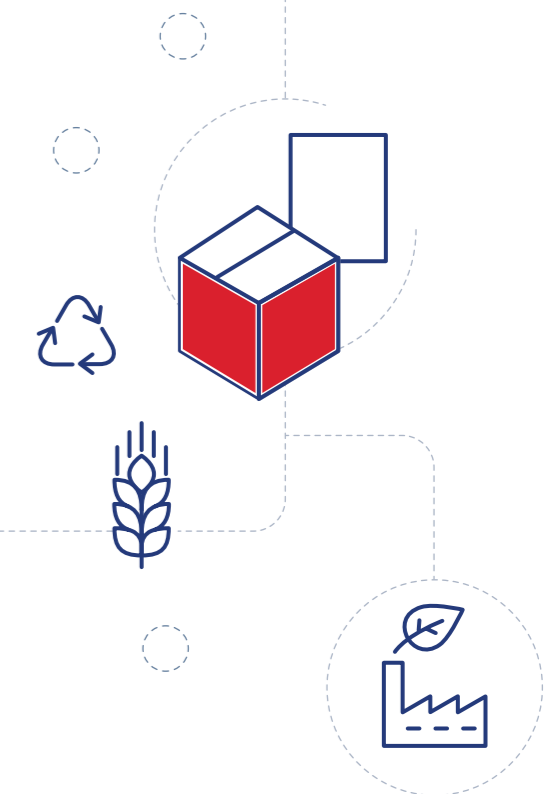
- The Company designs high-quality FIBCs for the safe storage and transportation of dry materials, such as sand, fertilisers and more
- Available in various designs, such as U-panel bags, ventilated bags, single and two loop bags for various applications
- The PP fabric used in FIBCs provides unrivalled flexibility
- With a holding capacity of 4000 lbs, these bulk bags are extremely strong and reliable
- FIBCs are cost and space-efficient as their flexible walls allow for stacking, thus freeing up valuable storage space, and eliminating the need for secondary containers

**PP Woven Silt Fence**

- A top-tier sediment control solution known for its outstanding strength and durability, making it a popular choice for construction sites
- Its woven polypropylene fabric surpasses traditional geotextiles in tear and damage resistance, withstanding strong winds and heavy rainfall
- Additionally its UV rays ensure a longer lifespan, making it a smart solution that requires minimal replacement
- Suitable for various settings, from land development projects and construction sites to rural and urban roadways, the PP woven silt fence is an affordable and low-maintenance option for all sediment control needs

**PP Woven Ground Cover**

- Our high-quality PP ground cover is a game-changer for gardening and landscaping projects. It comes in size upto 5 meter (16 ft) of width.
- Crafted from premium UV-resistant polypropylene, it offers an array of benefits, including effective weed suppression, soil stabilisation, and moisture retention, all while being incredibly easy to install
- Our innovative solution streamlines the efforts of gardeners and landscapers alike, freeing them from the arduous task of manually pulling weeds or resorting to chemical herbicides
- Additionally, our PP woven ground cover significantly reduces the proliferation of invasive plant species, ensuring a flourishing and sustainable garden or landscape



GEOGRAPHICAL PRESENCE

Taking our proposition worldwide

Sah Polymers' influence knows no bounds, as our reach extends to all corners of the world. From the bustling metropolises to the serene countryside, our long-standing relationships have stood the test of time, built on a foundation of trust and dependability.

Our customers hail from a diverse range of industries and geographic locations, affirming our commitment to excellence on a global scale. As we continue to expand and explore new horizons, we are confident in our ability to leverage India's competitive edge and propel Sah Polymers to even greater heights.

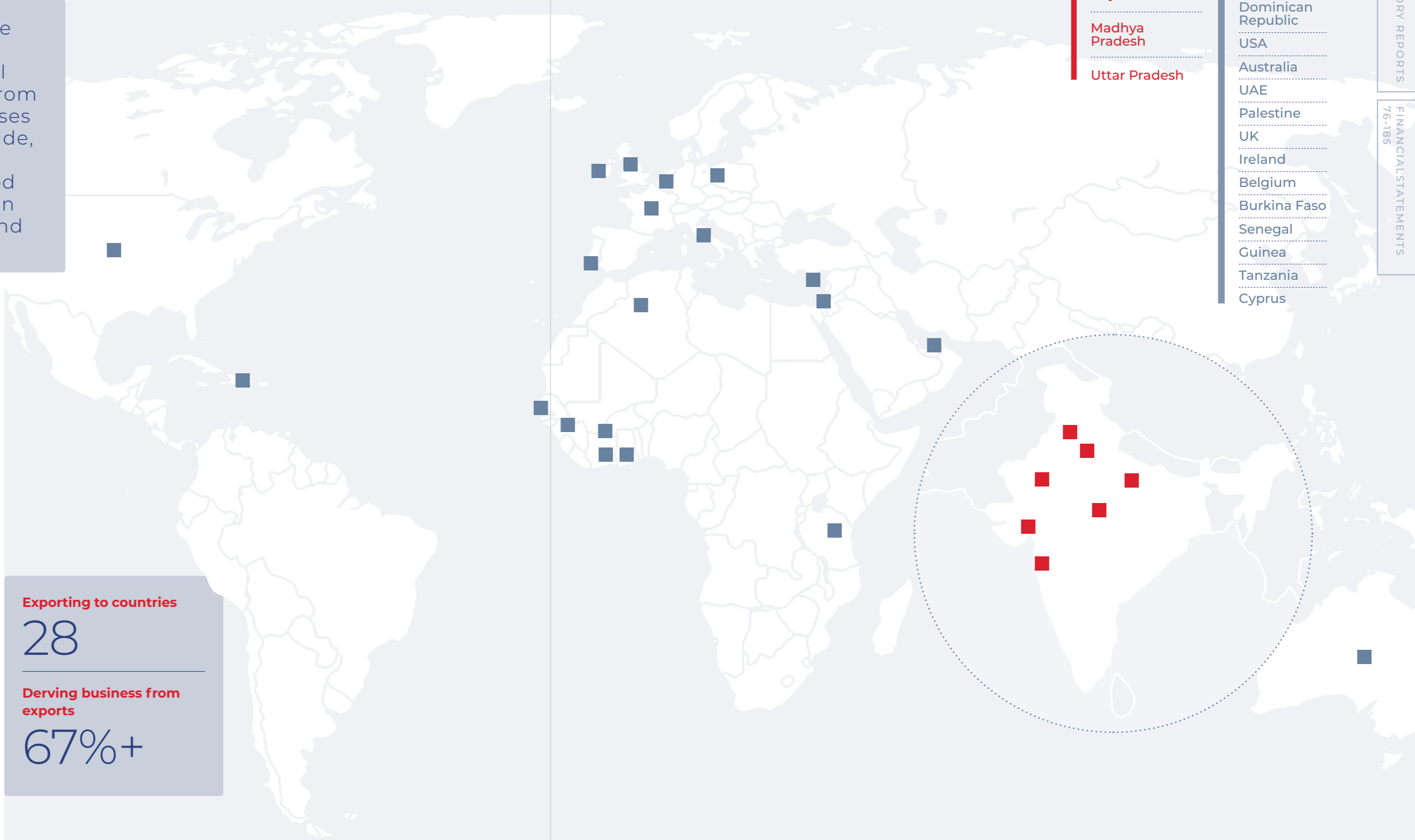
The Company boasts of an impressive geographical presence that spans 8 states and 1 Union Territory within India, along with an international presence in 28 countries worldwide. With more than 67% of its total revenue attributed to exports, Sah Polymers has carved out a niche for itself in the international markets. The Company's distribution network is fortified by its sales agents, merchant exporters, and a strong network of direct sales channels. All of which contribute to the efficient marketing and distribution of its premium products.

Exporting to countries

28

Derving business from exports

67%+



Domestic presence

- Daman and Diu (Union territory)
- Haryana
- Rajasthan
- Punjab
- Gujarat
- Madhya Pradesh
- Uttar Pradesh

International presence

- Algeria
- Togo
- Chana
- Poland
- Portugal
- France
- Italy
- Dominican Republic
- USA
- Australia
- UAE
- Palestine
- UK
- Ireland
- Belgium
- Burkina Faso
- Senegal
- Guinea
- Tanzania
- Cyprus

MANUFACTURING CAPABILITIES

Forging excellence: a behind-the-scenes look

Behold the heart of Sah Polymers, its manufacturing facilities, nestled in the majestic landscape of Udaipur, Rajasthan. Equipped with the latest technological advancements that set the standard in the industry, our manufacturing facility stands as a testament to precision and efficiency. With a team of skilled professionals and state-of-the-art machinery, we weave our magic into our products, which are second to none.



Udaipur Manufacturing Facility

The ISO 9001:2015 accredited facility spans over an impressive 8,000 square metres of land. The Company also houses a processing unit, sprawled across an expansive area of 1,500 square metres, which is located on a leased land parcel.

The facility is equipped with cutting-edge technology, including two tape plants and a lamination plant. Leveraging the power of Nova-6 looms and LSL-6, our facility creates fabric up to 75cm wide, while our HDN-6 and LSL-620 looms are deployed to weave fabric with a wider width. Furthermore, the facility is also home to 6-colour and 4-colour printing machines, in addition to manual and wider-width printing machines.

Production capacity
3,960
MTPA

Capacity utilisation
78%

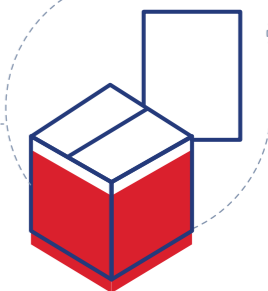
Looms Capacity

Looms Capacity Utilisation
(In %)
77.7

2023	77.7
2022	83.9
2021	74.6

Tape Capacity Utilisation
(In %)
84.8

2023	84.8
2022	83.7
2021	71.2



MANUFACTURING CAPABILITIES (CONTD.)

New Manufacturing Facility

Aligned with its commitment to continuous improvement, Sah Polymers has made judicious investments in its manufacturing infrastructure over the years. With its sights set on strategic expansion, the Company has invested part of its IPO proceeds to establish a new manufacturing facility, spanning across a land parcel of 16,000 square metres.

The establishment of this new facility, primarily to manufacture various bulk packaging containers including a spectrum of FIBC products represents a prudent move aimed at augmenting the customer base of the Company. With a filling capacity of up to 2,000 kg of material per bag, this new manufacturing facility will allow us to fortify our position as a leading provider of higher-capacity bulk packaging solutions. Additionally, the Company is aiming to better cater the Food & Beverage industry by having a dedicated production line and contamination-free area at this facility.

Production capacity

3,960

MTPA

Commissioning

January

2023



Key merits of expanded capacity



Expansion of manufacturing capabilities to accommodate high growth segments of bulk capacity FIBC bags and Food & Beverage industry



Increase in customer base through new value-added products and leveraging decades of experience across various end-use industries.



Cost optimisations and improvement in operating margins through the provision of single roof value-added offerings and in-house manufacturing



Common utilities and unutilised land to pursue brownfield expansion in the future

Certifications



STRATEGIC ACQUISITION

Joining hands for success

Fibcorp Polyweave Private Limited, a subsidiary of Sah Polymers post the acquisition of controlling stake in January 2022, is in the process of amalgamation with the parent Company.



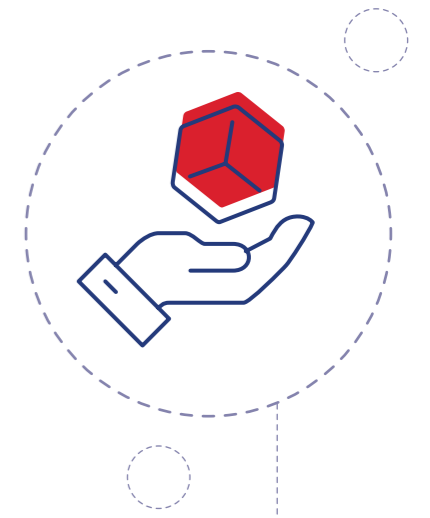
With a strong team of experienced and knowledgeable professionals, Fibcorp manufactures the entire range of FIBCs, starting from simple builder bags to complex C panel and circular baffle bags. Sah Polymers hold a controlling stake of 51.01% stake in Fibcorp Polyweave Private Limited. Fibcorp is recognised as a One Star Export House by the Government of India as well as an eligible start up by DIPP, Government of India.

Fibcorp has an international presence in

18+
Countries

Fibcorp has a committed workforce of

150+
People



More recently in February 2023, the Board of Directors of Sah Polymers passed a resolution proposing the amalgamation of Fibcorp Polyweave in parent Company Sah Polymers, subject to necessary regulatory and shareholder approvals.

This strategic decision will further integrate the operations of both the Companies.

It will:

Allow for cost optimisation

Offer cross-selling opportunities within each other's clientele

Fortify presence in global markets



This proposed amalgamation will create a one-stop solution provider in the world of bulk packaging industry, which will prove to be a force to be reckoned with.

Vision

To become the most trusted and reliable partner in our field on which all our stakeholders can bank upon

Mission

To ensure best quality products are delivered at most competitive prices and within agreed timelines to ensure maximum client satisfaction

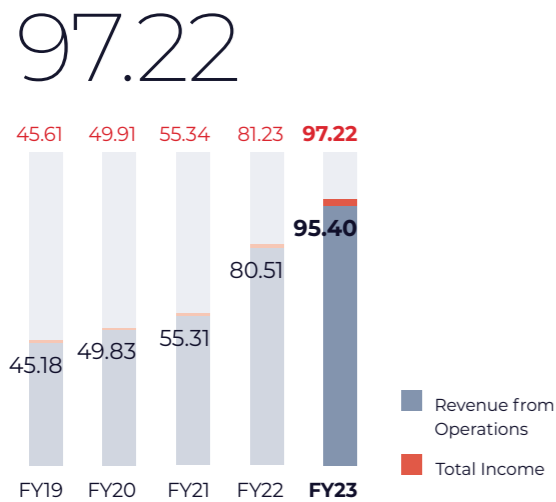
Values

- Customer focused
- Quality conscious
- Time sensitive
- Trust and credibility
- People first
- Commitment honouring

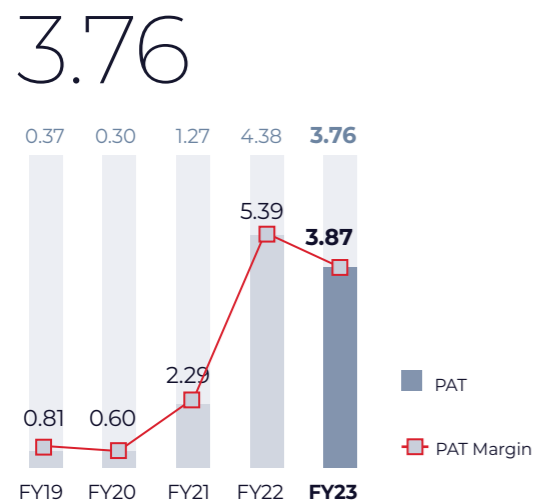
KEY PERFORMANCE INDICATORS

Our story in numbers

Revenue from Operations & Total Income
(In ₹ crores)

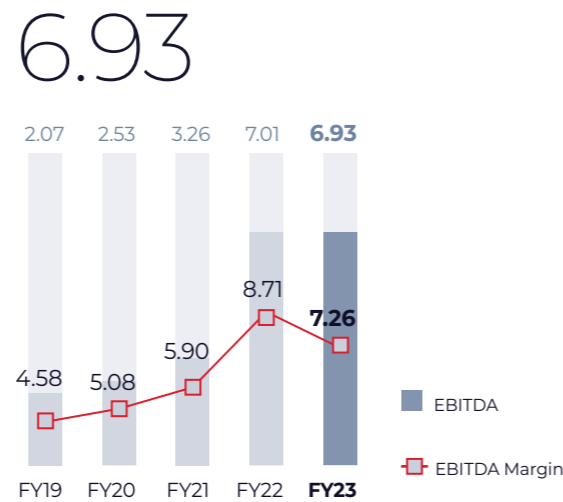


PAT & PAT Margin
(In ₹ crores & in %)



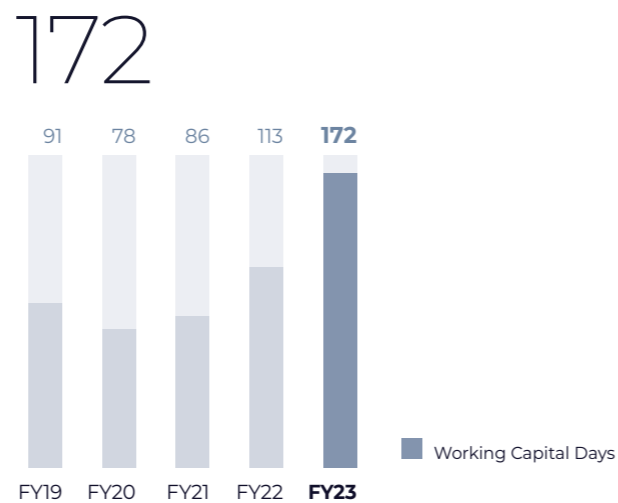
Note: PAT Margin is as a % of Total Income

EBITDA & EBITDA MARGIN
(In ₹ crores & in %)



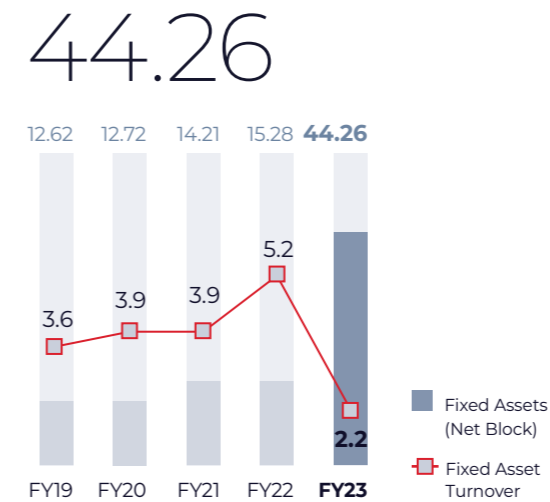
Note: EBITDA excludes Other Income. EBITDA Margin is as a % of Revenue from Operations.

Working Capital Days
(In Days)



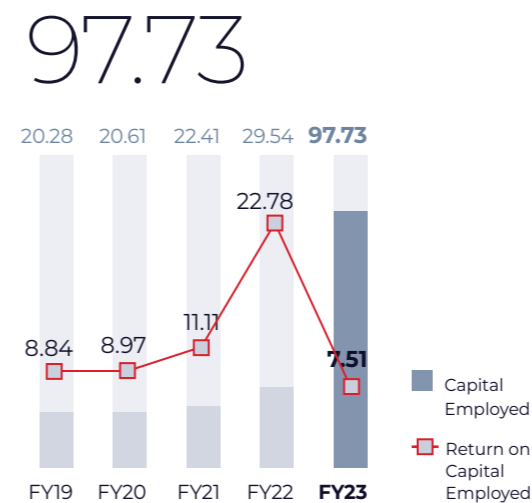
Note: Consolidated Figures

Fixed Assets (Net Block) & Fixed Asset Turnover
(In ₹ crores & in times)



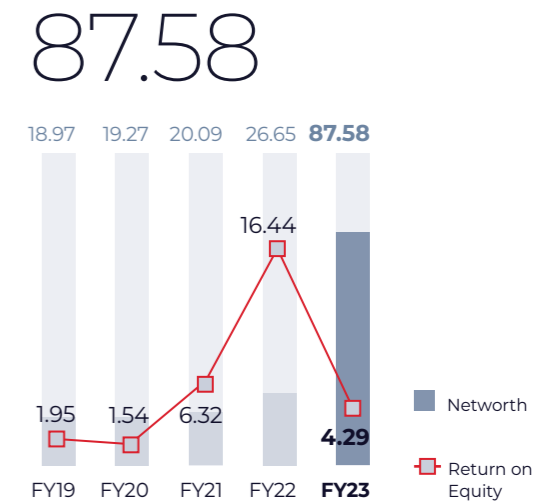
Note: Sharp increase in Net Block on account of commissioning of new facility in Jan-23, thus the decrease in Fixed Asset Turnover.

Capital Employed & Return on Capital Employed
(In ₹ crores & in %)



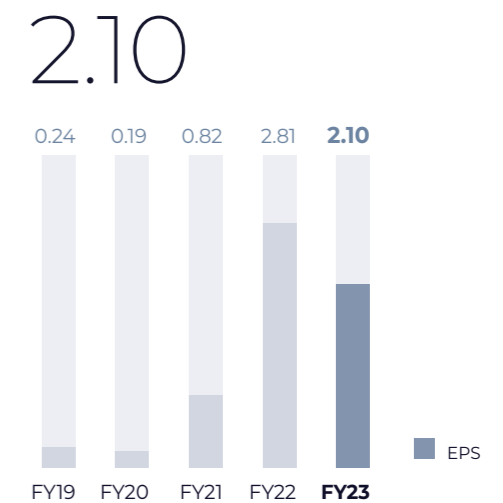
Note: Sharp increase in Capital Employed in FY23 on account of IPO, and thus the decrease in Return on Capital Employed.

Networth & Return on Equity
(In ₹ crores & in %)



Note: Sharp increase in Networth in FY23 on account of IPO, and thus the decrease in Return on Equity.

EPS
(In ₹)



LETTER TO SHAREHOLDERS

A year of bold moves



Apart from the IPO, another significant development for FY23 was the successful acquisition of a controlling stake in Fibcorp Polyweave, making it a subsidiary of Sah Polymers.

Dear Shareholders,

As we close the FY 2022-23, it is with great pleasure that I present the first Annual Report of Sah Polymers as a listed enterprise. Right from our IPO launch, to the commissioning of our new manufacturing facility, this year has marked many important milestones for us. I would like to take this opportunity to express our gratitude to all our shareholders, for reposing their faith in us and investing in our future. I would also like to extend our appreciation to our employees, customers, and all other stakeholders, who have supported us in our journey that has led to this eventful year. Apart from significant achievements, the year was also marked by various macro challenges, all of which we have been able to overcome through our hard work, perseverance, and commitment to excellence. Today, we are proud to present a detailed account of our progress to everyone, and we look forward to having your continued support in the years to come.



The year under review

We are pleased to present the operational and financial highlights for FY23, which have been characterised by various strategic initiatives and investments, all of which have paid off well. We ended the year on a high note, as our IPO in December 2022 was a resounding success, with investors showing great enthusiasm for our business, resulting in an oversubscription of 17 times. We express our heartfelt appreciation to all the investors who placed faith in us and in our vision.

We are also pleased to share that our new facility, nestled in Modi, Udaipur, is now entirely operational. With the addition of this facility, we have officially doubled our manufacturing capacity to 7,920 MTPA, a feat that would not have been possible without the support and trust of our valued stakeholders.

The new facility was commissioned in January, 2023, and undoubtedly brings us a step closer to turning our shared dream into a tangible reality. Ever since commissioning, we have been actively ramping up our production efforts. Thanks to the dedication of our hardworking team, we have nearly achieved 50% capacity utilisation in the month of March, 2023. This definitely instils us with confidence that we will be able to reach optimum capacity utilisation by the first half of FY24.

Another significant development for FY23 was the successful acquisition of

a controlling stake in Fibcorp Polyweave, making it a subsidiary of Sah Polymers. The Board of Directors passed the resolution of the amalgamation of the subsidiary in the Company in February 2023, which is now pending regulatory and shareholder approval.

The amalgamation acts pivotal as it brings forth a formidable synergy, as a result of cross-selling opportunities, cost optimisations, and combined manufacturing capabilities of both the companies. Resultantly, this enhances our competitiveness, and allows us to unlock greater value that drives sustainable growth for all our stakeholders. We are excited to embark on this transformative journey and remain committed to delivering exceptional value.

Industry scenario

The macroeconomic environment for the bulk packaging industry was marked by significant challenges in the past year, and had left the industry in a tough position. The raw material prices for the entire woven bags and FIBC product categories remained extremely volatile throughout the year. In addition, the Russia-Ukraine conflict had far-reaching impacts, including an energy crisis in Europe that resulted in lower overall production & industrial output, and thus significantly decreased requirement for bulk packaging products. In light of these circumstances, the demand outlook from Europe remains uncertain and will be dependent on various factors, including the resolution of the ongoing crisis.

However, we have been actively seeking ways to mitigate the impact of this uncertainty on our financial performance. In addition to our constant monitoring of market dynamics, we have implemented several measures to optimise our cost structure while maintaining our product quality and customer service levels. Additionally, we are exploring new markets, products, and customer segments to diversify our revenue streams.

Overall, we remain cautiously optimistic about the future of our industry and believe that our proactive approach will position us well to overcome the challenges and capitalise on the opportunities that lie ahead.

Augmented capacity

7,920^{MTPA}

Our newly commissioned facility is now entirely operational. With the addition of this facility, we have doubled our manufacturing capacity to 7,920 MTPA.

**360°
Diversification plans**

Increased product offerings
We have been expanding our reach into the global markets with a focus on sustainable packaging solutions. In line with this, we have recently started supplying reclaim products to the building material packaging consumers in the UK and African markets. The products use our in-house recycled waste which in turn reduced the carbon footprint of these products. Developed markets such as the UK have also adopted regulatory policies and guidelines to boost use of such sustainable bulk packaging products. This move has been well-received by the building material industry, which is increasingly becoming conscious about its environmental impact and is keen on adopting sustainable packaging products. Our focus on sustainability is not only aligned with our long-term vision but also represents a significant growth opportunity for us.

Additionally, we are planning to expand our footprint in the food-grade bulk packaging products category, which has the potential for better realisations and margins. With the new facility in Modi, we are set to pursue this industry in the coming years. This strategic move will not only diversify our portfolio, but also enable us to tap into a growing market segment.

Years of experience
30+

State-of-art facilities
2

Expanding footprint

As a part of our endeavour to expand our global footprint, we are actively seeking and evaluating strategic investments, both in India and abroad that will enable us to broaden our presence, capacities, and business offerings.

The macroeconomic environment for the bulk packaging industry was marked by significant challenges in the past year, and had left the industry in a tough position. The raw material prices for the entire woven bags and FIBC product categories remained extremely volatile throughout the year.



In terms of organic growth, we are constantly looking to enter new markets like Belgium or Sweden in the coming years while also increasing our penetration in the American and European markets, leveraging our expertise and proven track record of delivering high-quality packaging solutions.

Through this focused geographical expansion strategy, we aim to strengthen our position as a leading player in the global packaging industry, while delivering amplified value to all our stakeholders.

Strategic outlook

We look forward to the coming year as we have some well-thought-out plans in the pipeline. Equipped with an expanded capacity, we stand poised to embark on a journey of growth in both our top line as well as bottom line. By the end of the first half of FY24, we envisage operating our incremental capacities at optimal levels.

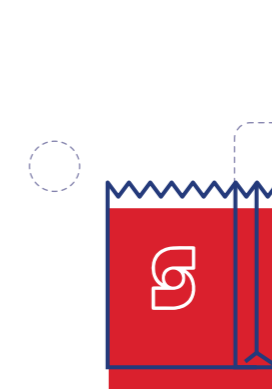
Furthermore, once we are operating at optimum capacity utilisation levels we will trigger the second phase of our brownfield capex in H2FY24, which can potentially double the capacity at the Modi plant. This will enhance our competitive advantage, and open new doors for us in the market. Throughout this journey, we remain steadfast in our commitment to delivering exceptional value to our stakeholders, while upholding the highest standards of quality, sustainability, innovation.

We have been expanding our reach into the global markets with a focus on sustainable packaging solutions. In line with this, we have recently started supplying reclaim products to the building material packaging consumers in the UK and African markets.

Additionally, we are planning to expand our footprint in the food-grade bulk packaging products category, which has the potential for better realisations and margins. With the new facility in Modi, we are set to pursue this industry in the coming years. This strategic move will not only diversify our portfolio, but also enable us to tap into a growing market segment.

We are extremely confident that our strategic outlook, combined with our dedication to excellence, will allow us to achieve sustainable growth and create significant value in the coming year. Thank you once again for your continued support. As we navigate the dynamic market landscape, we believe that together we will build a brighter and better future that empowers our people and society that we live in.

Warm Regards,
Murtaza Ali Moti
Whole Time Director



BOARD OF DIRECTORS

Leading with example

Behind every successful company lies a team of talented leaders with a shared vision. Meet the individuals who drive Sah Polymers' growth and steer it towards a brighter future. From experienced industry veterans to fresh perspectives, our Board of Directors brings diverse backgrounds and skill sets to the table, united by a passion for innovation and a drive for success.

**1. Mr. Asad Daud**
Director

S C

Mr. Daud is a visionary leader with a passion for excellence and a track record of driving success in the polymer industry. With a Masters degree in Accounting and Finance from The London School of Economics, he brings a unique perspective to our Board. He joined the Company in 2009, and has been instrumental in managing our operations, fostering innovation, and driving growth. With over 13 years of experience in the industry, Mr. Daud is leading the Company towards a promising future.

2. Mr. Murtaza Ali Moti
Whole Time Director

S C

Mr. Moti is an experienced finance professional with extensive experience in the bulk packaging industry. He is a Chartered Accountant, Chartered Financial Analyst and Financial Risk manager by qualification and has an overall experience of over 17 years with various prestigious organisations like ICICI Bank, Ernst & Young, and Sovereign Wealth Fund of Abu Dhabi, before incorporating his venture Fibcorp Polyweave, which is now a subsidiary of Sah Polymers. He currently heads Sah Polymers as the CEO and serves as a Whole-Time Director on its Board.

3. Mr. Hakim Sadiq Ali Tidiwala
Whole Time Director

A S C

Mr. Tidiwala brings a wealth of experience and expertise to the Company with over 23 years of experience in the Polymer Industry. He has been associated with Sah Polymers since 1988 and is responsible for the management and administration of the Company. His primary role includes devising and implementing growth strategies through new capacities, product development, and geographic expansion. Owing to his leadership and vision, Sah Polymers has been able to achieve significant milestones and maintain its competitive edge in the market.

4. Mr. Ramesh Chandra Soni
Independent Director

A N C

Mr. Soni brings his expertise as a practising Chartered Accountant with over 35 years of experience in the field of accounts, finance, budget, tax, and more. His experience and knowledge are a valuable asset to the Company.

5. Mr. Sanjay Suthar
Independent Director

S N

Mr. Suthar is a highly qualified and experienced finance professional, holding a Master's degree in Commerce from Mohanlal Sukhadia University, Udaipur. With over 8 years of experience in the field of accounts and finance, he boasts strong financial insights and a strategic vision.

6. Mr. Nikhil Khanderao Raut
Independent Director

A N

Mr. Raut has a Bachelor of Commerce degree from the University of Mumbai. With 9 years of experience in the field of accounts and finance, he has a proven proficiency that he brings to the table.

7. Ms. Chetna
Independent Director

She brings a unique blend of expertise to the Board. Her qualifications include Associate Company Secretary and a Bachelor of Law degree, along with a Bachelor of Computer Applications from Punjab Technical University. With a strong foundation in Secretarial, SEBI compliances and financial management, she is well-equipped to contribute to the Company's success.

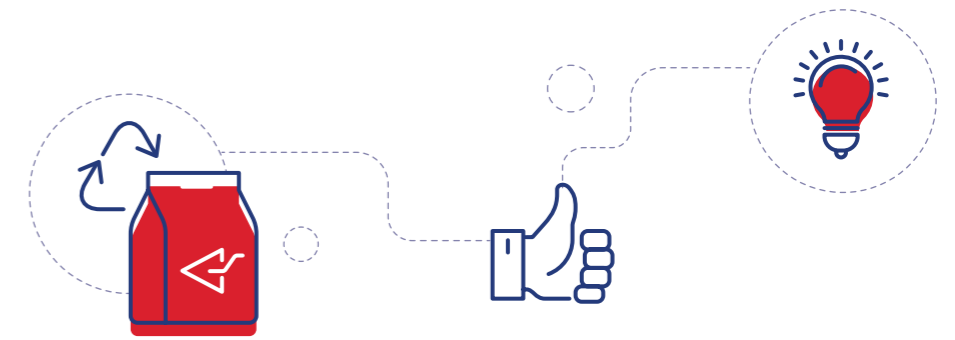
A Audit Committee
S Stakeholders Relationship Committee
N Nomination and Remuneration Committee
C Corporate Social Responsibility Committee

STRATEGIC OVERVIEW

Positioning ourselves to win

As the saying goes, **'failing to plan is planning to fail.'** At Sah Polymers, we understand the importance of a well-structured business strategy that gives us a bird's eye view of our goals and objectives. With our sights set on achieving a dominant market position, we are boldly forging ahead.

<p>EXPANDING FOOTPRINT</p> 	<p>To become a renowned name across geographies, Sah Polymers plans to broaden its customer base in both existing and new geographical markets. The rapidly growing packtech industry (PI) presents many promising areas for growth, in both domestic and export markets. The Company intends to capitalise on the opportunities to augment its presence in untapped areas and further strengthen its customer network.</p> <p>Sah's move towards sustainable packaging products, making use of plastic waste generated in its manufacturing operations, is gaining traction in developed markets such as Europe. The Company is also strategically exploring areas around addressable markets that can facilitate its international operations.</p>
<p>STRATEGIC INORGANIC OPPORTUNITIES</p> 	<p>We recognise the importance of carefully evaluated and value accretive acquisitions in achieving our organisational goals. Owing to our strengthening foothold in the industry, coupled with growing manufacturing capabilities, and a comfortable capital structure post-IPO, we are well-equipped to explore inorganic opportunities. Sah Polymers has undertaken a selective and disciplined approach to acquiring complementary businesses that offer the potential to generate synergies resulting in strong financial performance.</p>



<p>STRATEGIC INORGANIC OPPORTUNITIES (CONTINUED)</p>	<p>In line with this, the Company had recently acquired 51.01% of outstanding shares in Fibcorp Polyweave Private Limited and initiated an amalgamation with the Company, a move that has offered Sah Polymers new avenues for future growth and optimised cost structures. This acquisition is a landmark moment in the Company's pursuit of incremental synergies, as it has allowed Sah Polymers to leverage on its combined capabilities and resources to generate greater value for its stakeholders. The Company will be on a conscious lookout for such value accretive inorganic transactions in the future as well.</p>
<p>OPTIMISING OPERATIONS</p> 	<p>We, at Sah Polymers, are continuously working towards amplifying our asset productivity by leveraging on our in-house technological capabilities. Our focus on technological advancements will enable us to develop new products, and optimise our manufacturing processes, resulting in higher efficiency, lower costs, and improved output.</p>
<p>CUSTOMER ENGAGEMENT</p> 	<p>Along with all the strategic initiatives, we have always placed our bets on continuous engagement with customers to understand their emerging needs and position ourselves as a one-roof solution for all their packaging needs. Leveraging our latest insights we began the move towards sustainable packaging solutions to meet the needs of our customers in developed markets.</p> <p>Nurturing these relationships have enabled us to secure repeat orders, expand our customer base and come across as a trustworthy provider of bulk packaging solutions. Driven by customer satisfaction, we aim to build our brand that positions ourselves as the preferred supplier for all our client needs.</p>

MD&A

Management Discussion and Analysis

Economic overview

Global economy

The global economy is experiencing a period of transition as it adjusts to shifting economic and geopolitical dynamics. While projections suggest that growth will slow down to 2.9% in 2023, there are reasons for optimism. China's recent economic reopening has spurred a faster-than-expected recovery, and pent-up demand in numerous economies could provide a significant boost. However, risks remain tilted to the downside, including the potential for health outcomes in China or the escalation of Russia-Ukraine conflict. Tighter global monetary policy and increasing interest costs could also worsen debt distress, and show its effects on capital markets as well.

In the face of these challenges, policymakers around the world are prioritising sustained disinflation. Achieving this goal will require the deployment of macro-prudential tools and the strengthening of debt restructuring frameworks. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based relief measures should be withdrawn.

Indian economy

The Indian economy has shown remarkable resilience despite facing numerous challenges such as the COVID-19 pandemic, the Russian-Ukraine conflict, and synchronised policy rate hikes by central banks. The economy grew at 8.7% in FY22 and is projected to grow at

~7% in FY23, supported by a surge in credit growth to the micro, small, and medium enterprises sector, high capital expenditure by the central government, and an increase in exports. Private consumption has also rebounded strongly, reaching its highest level in Q2 of FY23, supported by a revival of contact-intensive services like trade, hotel, and transport. These factors have contributed to a decline in urban unemployment rates and faster net registration in the Employee Provident Fund.

The optimistic growth forecasts for the Indian economy in FY23 are based on several factors, including the return of migrant workers to cities to work in construction sites, along with a significant decline in housing market inventory. Additionally, public sector banks are well-capitalised and ready to increase credit supply, while corporates have strengthened their balance sheets, and private consumption is expected to remain strong, supported by near-universal vaccination coverage.

The government has also implemented several path-breaking measures, such as the PM GatiShakti, National Logistics Policy, and Production-Linked Incentive schemes, to boost manufacturing



Industry overview

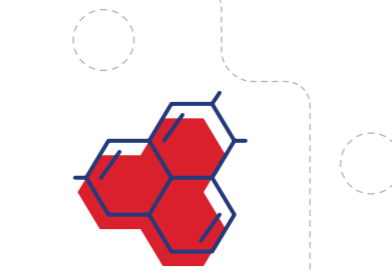
Indian packaging industry

India's packaging industry is a thriving sector, poised for significant growth in the coming years. The market is projected to register a staggering CAGR of 12.60% during the forecast period of 2022-2027, becoming one of the largest sectors of India's economy. The processed foods, hard and soft drinks, fruit and marine products are expanding appreciably, which indicates a high degree of potential for almost all user segments.

India's burgeoning consumer market is driving the demand for packaging, particularly in end-user industries such as personal care, pharmaceuticals, and processed food. The packaging industry has emerged as one of the fastest-growing sectors, fuelled by rising population, increasing income levels, and changing lifestyles. These factors have led to a surge in demand for packaged products, spurring growth and innovation across various manufacturing sectors. The rural sector's demand for

packaged products has also been bolstered by increasing media penetration through the internet and television. India's packaging industry has been a key driver of technology and innovation, contributing significantly to the agricultural and fast-moving consumer goods (FMCG) sectors.

The rapid growth of e-commerce in India and the emergence of organised retail services have revolutionised the retail sector, driving the need for packaging. With the presence of e-commerce channels expanding rapidly, retailers are leveraging digital retail channels to reach a wider audience. This has brought enormous potential for the growth of the packaging sector, driven by the boom in e-commerce and organised retail services. However, the packaging industry faces significant challenges, including fluctuating raw material prices, dynamic changes in regulatory standards, and growing environmental concerns. Limited effective recycling of mixed plastic waste, ineffective plastic recovery, and a lack of modern and advanced machinery in India for the packaging sector add to the industry's challenges. Nonetheless, the rising demand for packaging applications and technological advancement across various end-user markets have prompted several players to expand their market presence, thereby driving growth and innovation across the Indian economy.



output, which are expected to contribute to brisk growth in FY24.

Overall, the Indian economy has been led by private consumption and capital formation, which have helped generate employment and support growth. With a vigorous credit disbursement and capital investment cycle expected to unfold in FY24, the economy is expected to see further expansion, supported by the strengthening of corporate and banking sectors. The expansion of public digital platforms and other measures to boost manufacturing output are expected to provide additional support to economic growth in the coming years.



Global FIBC market

The global market for Flexible Intermediate Bulk Container (FIBC) is predicted to achieve a remarkable valuation of \$7.1 billion by the end of 2022. During the forecast period between 2022 and 2032, the market is expected to grow at a steady CAGR of 5.3%. The burgeoning demand for FIBC can be attributed to several key factors such as the introduction of lightweight containers by manufacturers and the expansion of the food and pharmaceutical industries. Additionally, the need to reduce the overall weight of bulk packaging has contributed significantly to the escalating demand for FIBC. These bags are increasingly being used to transport grains, rice, and liquid chemicals employed in biological products.

The production of FIBC is dominated by Europe, with a production market share of 29%. Asia, on the other hand, has emerged as the second-largest supplier of FIBC, with

a production market share of 25%. In terms of consumption, North America holds the largest market share of 38%, followed by Europe with a consumption market share of 29%. Nonetheless, in the future, the Asia Pacific region is expected to grow at an impressive pace, recording an estimated CAGR of 5.9% between 2022 and 2030.

The rising demand for FIBC can be attributed to the growing requirement to lower the total weight of bulk packaging and the need for efficient, safe, and cost-effective methods of transportation. As the demand for FIBC continues to grow, manufacturers are exploring new ways to innovate, such as developing new materials and designs that offer even greater value to consumers. In summary, the global FIBC market is expected to grow steadily in the coming years, driven by the expanding food and pharmaceutical industries, as well as the need for lightweight bulk packaging.



Indian FIBC market

The FIBC Association reveals that the Indian FIBC market has undergone a remarkable increase in the last decade. India has recorded a total FIBC production of 306,996 MT in 2021, of which nearly 28% is accounted for by food-grade FIBC production. Furthermore, the total export sales of FIBC from India have tripled over the past decade, reaching a value of \$708.48 million in the fiscal year 2021. This growth can be largely attributed to the expanding industries, including food products & agriculture, pharmaceutical products, and chemicals and fertilisers. The Indian government's favourable measures and increased international commerce have propelled industrialization in these sectors, increasing the demand for FIBC for effective storage and transportation of goods.

The Make in India initiative and industry-specific incentives have resulted in the establishment of numerous manufacturing enterprises in India, further boosting the demand for FIBC. As a result, the Indian FIBC industry is expected to continue to flourish, playing a significant role in the transportation and storage of goods for various end-user industries.

Growth drivers of the FIBC market:

Expansion of international trade

The rise of emerging economies and increased trade between countries has led to a need for superior packaging standards in the global market. FIBC, with its lightweight and customizable design, is poised to meet this demand and is expected to continue to grow.

Increasing demand in healthcare packaging

With a growing ageing population and an increase in chronic diseases, the demand for healthcare-related products and services is rising rapidly. FIBC healthcare packaging is becoming a crucial component of the drug delivery system and is expected to see significant growth globally.

Growing need for sustainable packaging solutions

As environmental concerns continue to escalate, consumers are seeking sustainable and eco-friendly packaging solutions. FIBC packaging is recyclable and reusable, making it an attractive choice for consumers and manufacturers alike.

Expansion of the food and agriculture industries

With a growing population, the food and agriculture industries are expanding rapidly. The FIBC market is poised to benefit from this growth as it is used to transport grains, rice, and other food products.

Need for cost-effective bulk packaging solutions

FIBC packaging offers cost-effective solutions for bulk packaging needs, making it an attractive choice for several industries, including construction, mining, and chemical manufacturing.

FY23 Performance Discussion

Despite the bulk packaging industry facing significant external challenges during FY23, we are pleased to report a positive end to the year. Various adverse factors combined to create a challenging operating environment, including highly volatile raw material prices for woven bags and FIBC products throughout the year. Additionally, the Russia-Ukraine conflict had far-reaching consequences, leading to an energy crisis in Europe, reduced overall industrial production, and decreased the demand for bulk packaging products from the region.

Nevertheless, we are delighted to announce that the Company achieved a remarkable growth of 19.67% in its top-line, reaching ₹9,721.62 lakhs in FY23, compared to ₹8,123.45 lakhs in FY22. Despite our Profit After Tax (PAT) standing at ₹305.64 lakhs, lower than the previous year's ₹402.42 lakhs, which can be attributed to higher finance costs and depreciation, we remain confident about our outlook for the coming year. Our primary focus remains on achieving a better product mix, capitalising on economies of scale through our new capacity at Modi, Udaipur, and regaining on both top line and bottom line.



Financial Ratios

RATIOS	NUMERATOR/ DENOMINATOR	FY23	FY22	REMARKS
Current Ratio	Current Assets / Current Liabilities	0.94	2.90	Due to increase in current assets.
Debt Equity Ratio	Total Debt / Shareholder's Equity	0.07	0.17	Increase in shareholders' equity due to initial public offer of equity shares.
Debt Service Coverage Ratio	Earning Available for Debt Service / Debt Service	5.67	3.01	Low margin and increase in debts
Return on Equity Ratio	Net Profit After Taxes / Average Shareholder's Equity	0.18	0.06	Low margin and increase in shareholders' equity following initial public issue.
Inventory Turnover Ratio	Sales / Average Inventory	8.89	5.61	Increase in inventory due to operation of new production capacity at the fag end of the year
Trade Receivables Turnover Ratio	Net Credit Sales / Average Accounts Receivable	6.92	7.24	Better collection system and reduction in credit period
Trade Payables Turnover Ratio	Net Credit Purchase / Average Trade Payables	10.05	7.48	Due to cash liquidity, purchases were made on cash basis.
Net Capital Turnover Ratio	Net Sales / Working Capital	-35.48	1.91	Increase in current assets.
Net Profit Ratio	Net Profit / Net Sales	0.05	0.04	Decrease in margin due to higher input cost.
Return on Capital Employed	Earning Before Interest and Taxes / Capital Employed	0.23	0.06	Due to initial public offer of equity shares.
Return on Investment	Income Generated from Investment / Time Weighted Average Investment	0	0	Not calculated as no investment was made for the purpose of earning returns. Investment was made for acquisition of business in the subsidiary company.

Note: Standalone Financial Ratios

Outlook

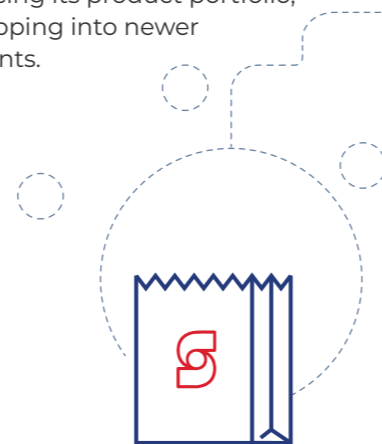
Sah Polymers is poised to achieve remarkable success as it embarks on an expansionary journey in the coming years. The Company has already taken the necessary steps to bolster its manufacturing capabilities by doubling its capacity to 7,920 MTPA, with the setup of a new facility in Modi. By effectively utilising these facilities, Sah Polymers aims to achieve optimal capacity utilisation by the first half of FY24.

As the Company sets its sights on new horizons, Sah Polymers is diversifying its revenue streams by exploring new markets, products, and customer

segments. The Company is evaluating strategic investments in India and abroad to expand its geographical footprint and to enhance its product portfolio. Furthermore, the Company is also planning to enter the lucrative food-grade category in the early stages of FY24, given its better margins and realisations. With a strong focus on cross-selling opportunities, cost optimizations, and combined manufacturing capabilities, Sah Polymers' successful acquisition of the controlling stake of Fibcorp Polyweave, as a subsidiary, is a significant milestone. As the resolution for amalgamation of the subsidiary is awaiting regulatory and

shareholder approval, the amalgamation is expected to bring forth formidable synergy.

In conclusion, Sah Polymers has laid the foundation for an exciting year ahead, with its unwavering commitment to expanding its operations, enhancing its product portfolio, and tapping into newer segments.



With its existing manufacturing capabilities and an eye for strategic investments, the Company is well-equipped to establish its position in new markets and cement its place as a market leader in the industry.

Internal Control and Adequacy

The Company's proper and adequate system of internal control ensures that all its assets are safeguarded and protected against losses from unauthorised use or disposition, and that all transactions are authorised, recorded and reported appropriately.

The Company has deployed an effective mechanism to achieve optimum and effective utilisation of resources, efficiency in operations, monitoring thereof and compliance with applicable laws. Further, the auditors have also expressed that the Company's internal control systems are adequate and satisfactory.

Human Resource Development and Industrial Relations

Sah Polymers believes that its human resources are one of the most crucial assets and critical enablers of the Group's growth.

To that extent, the Group engages with its employees to hone their skill sets and equip them with knowledge and know-how. It is also deeply invested in establishing its brand name to attract and retain the best talent in the market. During the period under review, employee relations continued to be healthy, cordial and harmonious at all levels, and the Group aims to maintain such relations with the employees going forward as well. As of 31st March, 2023 the Company has 102 permanent employees at the consolidated level (including its subsidiary).

Risks, Concerns & Risk Mitigation

COMMODITY FLUCTUATION RISK	The Company's RM basket consists of various petrochemical derived polymers which tend to fluctuate in prices along with the global demand-supply scenario. Accordingly, the Company relies on its meticulously planned production schedule to keep inventory exposure to a minimum. The Company also deploys different strategies to mitigate commodity price risk in day to day operations.
SAFETY RISK	The Company operates two manufacturing facilities, which are 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. Thus the Company has implemented a robust governance mechanism for safety, health, environment and sustainability where reviews are undertaken at different levels.
SUPPLY CHAIN RISK	The Company's operations span across the globe, as its customer base is spread across 28 countries. Further the raw material basket is derived from the crude value chain. Thus, its supply chain network is subject to various risks i.e. physical, environmental, trade restrictions, disruptions of supplies. To mitigate the same the Company works with suppliers to define inventory maintenance norms, build safety stocks, while exploring alternative supply & logistics partners.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Sah Polymers Limited, 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 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 of Sah Polymers Limited's Annual Report, FY23.

Corporate Information

Board of Directors

Mr. Asad Daud

Non-Executive Director

Mr. Hakim Sadiq Ali Tidiwala

Whole Time Director

Mr. Murtaza Ali Moti

Whole Time Director

Mr. Ramesh Chandra Soni

Independent Director

Mr. Sanjay Suthar

Independent Director

Mr. Nikhil Khanderao Raut

Independent Director

Ms. Chetna

Independent Director

Executive Management

Mr. Lalit Kumar Bolia

Chief Financial Officer

Ms. Runel Saxena

Company Secretary

Auditors

M/s. H.R. Jain & Co.

Chartered Accountant

310-313 Arihant Plaza, Near State Bank of India,
Udiyapole, Udaipur Rajasthan 313001

Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.

247 Park, C 101 1st Floor, LBS Marg,
Vikhroli (W), Mumbai – 400 083

Phone: +91-22-49186000

Fax: +91-22-49186060

Secretarial Auditor

M/s P.Talesara & Associates.

213 Anand Plaza Udaipur Rajasthan 313001

Tel.- 2429624, 9414158294

Bankers to the issue

ICICI Bank

Registered Office:

E 260-261 Mewar Industrial Area, Madri
Udaipur Rajasthan 313003

Tel.- +91 294 2493889

Email: cs@sahpolymers.com

Directors' Report

To The Members of SAH POLYMERS LIMITED,

The Board of Directors of your Company have pleasure in presenting the Thirty First (31st) Board Report on the business and operations of Sah Polymers Limited ('Sah Polymers' or 'Company'), along with the summary of standalone and consolidated financial statements for the financial year ended 31st March, 2023.

1. FINANCIAL RESULTS:

(₹ in lakhs)

Financial Year	Audited Standalone		Audited Consolidated	
	As on 31 st March, 2023	As on 31 st March, 2022	As on 31 st March, 2023	As on 31 st March, 2022
Particulars				
Revenue from operations	8235.34	7572.75	9539.92	8051.14
Total expenditure before finance cost, depreciation (net of expenditure transferred to capital)	7671.73	6931.43	8846.83	7350.05
Operating profit	563.61	641.32	693.09	701.09
Add: Other income	150.48	74.03	181.70	72.31
Profit before finance cost, depreciation, exceptional items and tax	714.09	715.35	874.79	773.40
Less: Finance cost	190.94	118.08	222.06	123.50
Profit before depreciation, exceptional items and tax	523.15	597.27	652.73	649.90
Less: Depreciation and amortisation expenses	112.55	83.14	140.33	100.65
Profit before, exceptional items and tax	410.60	514.13	512.40	549.25
Add/(Less): Exceptional items	0.00	0.00	0.00	0.00
Profit before tax	410.60	514.13	512.40	549.25
Less: Tax Expense	104.96	111.71	136.34	111.71
(A) Profit /(Loss) for the period attributable to:	305.64	402.42	376.06	437.54
Owners' of the Company			341.52	420.33
Non-controlling interests			34.54	17.21
(B) Total other comprehensive income	0.00	0.00	0.00	0.00
(C) Total comprehensive income for the period (A+B)	305.64	402.42	376.06	437.54
Retained earnings balance brought forward from the previous year	491.82	89.40	509.73	89.40
Add: Profit for the period	305.64	402.42	341.52	420.33
Add: Other Comprehensive Income recognised in Retained Earnings	0.00	0.00	0.00	0.00
Add/(Less): Changes in capital structure and other movement within equity	0.00	0.00	0.00	0.00
Balance	797.46	491.82	851.25	509.73
Which the Directors have apportioned as under to:-				
Dividend on Equity shares	0.00	0.00	0.00	0.00
Retained Earnings: Balance to be carried forward	797.46	491.82	851.25	509.73

2. STATE OF COMPANY'S AFFAIRS:

Your Company is engaged in the business of manufacturing and marketing of Flexible Intermediate Bulk Containers (FIBC) and other flexible packaging products. In addition, your Company is also DCA and DOPW of Indian Oil Corporation Limited for its Polymers Marketing in respect of the Udaipur and Jaipur regions.

During the year your Company commenced commercial operations in the new green field project of FIBC with effect from 25th January, 2023, having annual production capacity of 3960 Metric Ton, and consequent to this annual production capacity stands increased to 7920 Metric Ton. Production of the new plant was well received.

Contribution of the new capacity in the revenue etc. will be reflected in the year to come and in the year gone it was insignificant and as such incomparable with the corresponding figures.

On a **standalone basis** the total income for the financial year 2022-23 under review was ₹ 8385.82 lakhs as against ₹ 7646.78 lakhs for the previous financial year, registering an increase of 8.81%. The profit before tax from continuing operations including exceptional items was ₹ 410.60 lakhs for the financial year 2022-23 under review as against ₹ 514.13 lakhs for the previous financial year, registering an increase of 20.14%. The profit after tax from continuing operations including exceptional items was ₹ 305.64 lakhs for the financial year 2022-23 under review as against ₹ 402.42 lakhs for the previous financial year, registering a decline of 24.04%. It was due to the operation of new capacity, contribution of which was very low as compared with the increase in finance cost, depreciation and other fixed expenses.

On a **Consolidated basis** the total income for the financial year 2022-23 under review was ₹ 9721.62 lakhs as against ₹ 8123.45 lakhs for the previous financial year, registering an increase of 16.44%. The profit before tax from continuing operations, including exceptional items, was ₹ 512.40 lakhs for the financial year 2022-23 under review as against ₹ 549.25 lakhs for the previous financial year. The profit after tax from continuing operations including exceptional items was ₹ 376.06 lakhs for the financial year under review as against ₹ 437.54 lakhs for the previous financial year

3. DIVIDEND:

The Board of Directors of the Company has recommended a maiden Final Dividend of ₹ 0.50 (5%) per Equity Share for the financial year ended on 31st March, 2023 (for the year ended 31st March, 2022- ₹ 0.0(NIL) per equity share) to be paid on fully paid-up

Equity Share amounting to ₹ 128.98 lakhs. The Final Dividend is subject to the approval of shareholders at the Annual General Meeting.

4. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and up to the date of this report except recommendation of a maiden dividend of ₹ 0.50 (5%) per fully paid up equity share of ₹ 10/- each for the financial year 2022-23 entailing an outgo ₹ 128.98 lakhs.

5. MATERIAL EVENTS DURING THE YEAR UNDER REVIEW:

(a) INITIAL PUBLIC OFFER:

During the year the Company raised a sum of ₹ 6630 lakhs from the capital market through an initial public offer of 10200000 equity shares of ₹ 10/- each at a premium of ₹ 55/- per share.

Equity shares of the Company were listed and traded on National Stock Exchange India Limited and BSE Limited with effect from 12th January, 2023.

The funds received pursuant to Initial Public Offer, have been utilized for the objects stated in the Prospectus dated 6th January, 2023, towards capital expenditure, repayment of certain borrowings, working capital etc. as detailed in Point. No.9 para (g) heading as "Other disclosure" of the Corporate Governance Report forming part of this report.

(b) COMMISSIONING OF NEW GREEN FILED PROJECT OF FLEXIBLE INTERMEDIATE BULK CONTAINERS(FIBC):

During the year your Company successfully commissioned its Flexible Intermediate Bulk Containers (FIBC) plant at Village: Modi, District: Udaipur having production capacity of 3960 MT per annum and commenced commercial production with effect from 25th January, 2023. With this commissioning, the total plastic processing capacity of the Company increased to 7920 MT per annum from 3960 MT per annum. The product was well received in the market.

6. LISTING OF SHARES:

The Equity shares of the Company are listed on National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 and BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The listing fees for the financial year 2023-24 have been paid.

7. CHANGES IN THE NATURE OF BUSINESS:

During the year under review there has been no change in the nature of the business of the Company.

8. TRANSFER TO RESERVE:

The Board of Directors has decided to retain the entire amount of profit for FY 2022-23 appearing in the statement of profit and loss and no amount was transferred to any Reserves.

9. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures required pursuant to the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed with this report- **"Annexure - A"**.

Further 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.

10. CONSERVATION, ENERGY, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to section 134(3)(m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014, it is stated that the Company is taking every possible step to conserve the energy wherever possible by streamlining the production process. Its impact will be visible in the time to come. The Company is exploring avenues for utilizing alternate sources of energy. The Company has not made any capital investments in energy conservation equipment.

The Company has imported no technology. The technology employed for the manufacture of FIBC, HDPE/PP woven sacks/fabrics is indigenously sourced and timely tested. The Company regularly keeps itself updated with the latest development in technology with the motto of cost reduction and improvement of the quality of the products.

No expenditure has been incurred on research and development.

FOREIGN EXCHANGE EARNINGS

During the year under review the Company had earnings and Expenditure in foreign exchange details are as under:

Foreign Exchange Earnings:	₹ 4554.30 lakhs (Pr. yr. ₹ 61.45 lakhs)
Foreign exchange Out go:	₹ 43.54 lakhs (Pr. yr. ₹ 18.93 lakhs)

11. DEPOSITS FROM PUBLIC:

The Company has neither invited nor accepted any Deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under, and as such no amount on account of principal and interest was outstanding as on the date of the balance sheet.

As such no amount of deposit is unpaid or unclaimed at the end of the year. Hence there is no non-compliance with any of the provisions of chapter V of the Companies Act, 2013.

12. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to the material departures, if any;
- ii) the directors had selected such accounting policies and applied them consistently and made judgment 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 loss of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records, and the adequate steps have been taken to make it afresh, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a "going concern" basis.
- v) internal financial controls has been laid down to be followed by the Company and such financial controls are adequate and are operating effectively;
- vi) 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.

13. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(a) Changes in the Board of Directors:

- (i) During the year Ms. Chetna (DIN: 08981045) who has the required integrity, expertise and experience, was appointed, with your approval, as a director and also as Independent Director for second term of your Company for a period of one year with effect from 19th August, 2022.

Retire by Rotation:

Mr. Hakim Sadiq Ali Tidiwala (DIN: 00119156), being the longest in the office, will retire by rotation, at the forthcoming annual general meeting and being eligible, has offered himself for reappointment. The Board of Directors of your Company has recommended his re-appointment.

For Appointment of a new Director or Re-appointment of a director, the brief resume relating to the directors and other details relating to the Director seeking re-appointment as stipulated under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard, are provided in the Notice convening the ensuing AGM.

(b) Key Managerial personnel:

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2023 are Mr. Hakim Sadiq Ali Tidiwala, Whole time Director, Mr. Murtaza Ali Moti, Chief Executive Officer, Mr. Lalit Kumar Bolia, Chief Financial Officer and Ms. Runel Saxena, Company Secretary.

During the year under review, there have been the following changes in the Key Managerial Personnel.

- (i) Mr. Debanshu Deb resigned as Company Secretary and Ms. Runel Saxena was appointed as Company Secretary w.e.f. 4th June, 2022
- (ii) Mr. Asad Daud resigned from the office of the Managing Director and was re-designated as a Director w.e.f. 27th March, 2023.

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

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their Remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director, which has been placed on the Company's website, www.sahpolymers.com. The policy on the above is attached as "ANNEXURE-B".

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

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out

in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

16. HOLDING, SUBSIDIARY, JOINT VENTURE & ASSOCIATE COMPANIES:**Holding:**

Your Company is a subsidiary of **Sat Industries Limited** with a holding of 55.50% of equity shares.

Subsidiary:

Your Company has 1(One) subsidiary Company i.e. **Fibcorp Polyweave Private Limited** with holding of 51.01% of Equity shares.

A Statement in Form No. AOC-1 pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) containing the salient features of the financial statement of the subsidiary Company is annexed to this report as "ANNEXURE - C".

MATERIAL SUBSIDIARY:

The Company has formulated a policy on identification of material subsidiary in line with Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is placed on the Company's website.

Accordingly, Fibcorp Polyweave Private Limited is the material subsidiary of your Company.

NOTES ON SUBSIDIARY

The following may be read in conjunction with the Consolidated Financial Statements of your Company prepared in accordance with Indian Accounting Standard AS110 Shareholders desirous of obtaining the Report and Accounts of your Company's subsidiaries may obtain the same upon request. Further, the Report and Accounts of the subsidiary companies is also available under the 'Investor Relations' section of your Company's website, www.sahpolymers.com, in a downloadable format. Your Company's Policy for determination of a material subsidiary, as adopted by your Board, in conformity with Regulation 16 of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, can be accessed on your Company's corporate website at <https://www.sahpolymers.com>.

FIBCORP POLYWEAVE PRIVATE LIMITED (FPPL)

FPPL is engaged in the business of manufacturing and marketing of the FIBC with the manufacturing facilities situated at Kaladwas Industrial Area, Udaipur. Its products find a presence in domestic as well as in global markets. During the year ended 31st March, 2023, it clocked a revenue of ₹ 3969.25 lakhs, out of which ₹ 1911.85 lakhs near about 48.17% from exports and outreaches in more than 14 countries.

Joint Ventures and Associates:

Your Company does not have any Associates or Joint Ventures as on 31st March, 2023.

Name of Companies Which Have Become or Ceased to Be Subsidiaries, Joint Ventures or Associates Companies:

During the year under report, none of the Companies became or ceased to be its subsidiary, joint venture & associates.

17. SHARE CAPITAL:

During the year the Company entered into the capital market with its maiden initial public offering of 10200000 equity shares of ₹ 10/- each at a premium of ₹ 55/- per share aggregating to ₹ 6630/- lakhs on 30th December, 2022. The issue, closed on 4th January, 2023 and received overwhelming response, was over-subscribed by 17.46 times.

Consequent upon the initial public offer the issued, subscribed and paid-up equity share capital of your Company as on 31st March, 2023, stands increased to ₹ 2579.60 lakhs divided into 25796000 Equity shares of ₹ 10/- each. The Equity Shares issued during the year rank pari passu with the existing Equity Shares of your Company.

18. BOARD AND ITS COMMITTEE MEETING:

During the financial year 2022-23, the Board of Directors of your Company met on 20 (twenty times). Details about meetings etc. have been provided in the Report titled as "Report on Corporate Governance" annexed with this report.

Your Company has constituted various committees such as Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility, and others in accordance with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended and applicable laws, rules and regulations.

Disclosures in respect of the compositions of committees, functions, frequency of the meeting etc. as required by the above have been provided in the Report titled as "Report on Corporate Governance" annexed with this report.

19. EVALUATION OF THE PERFORMANCE OF BOARD MEMBERS:

The evaluation of all the directors and the Board / Committee as a whole was conducted based on the criteria and framework adopted by the board. The evaluation includes the effectiveness of its own functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, performance of non-independent directors, including but not limited to, active participation at the Board and Committee meetings.

20. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has disclosed the full particulars of the loans given, investments made or guarantees given or security provided as required under section 186 of the Companies Act, 2013, Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in Notes to the financial statements forming part of the annual report.

21. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Related Party Transaction Policy as approved by the Audit Committee and the Board of Directors and up-loaded on the Company's website <https://www.sahpolymers.com> is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a process in place to periodically review and monitor Related Party Transactions.

During the year under review, all related party transactions were in the ordinary course of business and at arm's length. The Audit Committee has approved the related party transactions for FY 2022-23 and the estimated related party transactions for FY 2023-24.

There were no related party transactions that conflict with the interest of the Company.

The disclosure of Related Party Transactions as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in Form AOC -2 and the same is annexed with this report vide **"Annexure-D"**.

The Company proposes to enter into a material related party transaction with Fibcorp Polyweave Private Limited, material subsidiary of your Company:

- (a) for providing unsecured loans of ₹ 345 lakhs for a period of 3 years from FY 2024 at the Interest Rate of 12%.
- (b) for sale and purchase of raw materials, finished goods, Machineries, Leasing of Machineries & Rendering of Services etc., in aggregating value of ₹ 100 Crores only.

The transaction is a material related party transaction i.e. exceeding the 10% of the Consolidated Turnover of the Company as per the latest Audited Financial Statement as provided under Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per the provisions of the Companies Act, 2013.

The Company is seeking an enabling approval for certain material related party transactions at the ensuing Annual General Meeting (AGM).

22. CORPORATE SOCIAL RESPONSIBILITY:

The objective of the Company's Corporate Social Responsibility ('CSR') initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company's CSR policy provides guidelines to conduct CSR activities of the Company. The salient features of the Policy forms part of the Annual Report on CSR activities annexed to the Board's Report. The CSR policy is available on the website of the Company at <https://www.sahpolymers.com>. and initiative taken by it are set out in **"Annexure-E"** of this report.

23. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

24. CONSOLIDATED FINANCIAL STATEMENT:

Your directors have pleasure in attaching the Consolidated Financial Statements pursuant to section 129(3) of the Companies Act, 2013 read with rule 6 of the Companies (Accounts) Rule, 2014 and prepared in accordance with the relevant applicable accounting standards as per the Companies (Indian Accounting Standard) Rules, 2015.

The Auditors' report on Consolidated financial statements does not contain any qualification, observation, or adverse comment.

Your Company's Board of Directors is responsible for the preparation of the consolidated financial statements of your Company and its Subsidiary ('the Group'), in terms of the requirements of the Companies Act, 2013 (the Act) and in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

The respective Boards 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 each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Such financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of your Company, as aforesaid.

25. ANNUAL RETURN:

The copy of the Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and administration) Rules, 2014 has been placed on the website of the Company which can be accessed at www.sahpolymers.com.

26. STATUTORY AUDITORS:

The existing statutory Auditor M/s. H.R. Jain & Co. Chartered Accountants were appointed as Statutory Auditors of the Company to hold the office from the conclusion of the 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company at annual general meeting held on 30th September, 2022.

Further, they have confirmed that they are not disqualified from continuing as Auditor of the Company.

Fraud Reported by Auditor Against the Company:

The auditors have not reported any fraud under section 143(12) of Companies Act 2013.

Auditors Report:

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

27. CORPORATE GOVERNANCE:

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance and a certificate obtained from the Statutory Auditors confirming compliance with Corporate Governance requirements provided in the aforesaid Regulations, are provided in "Annexure-F" forming part of this Report.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

29. CEO/CFO CERTIFICATE:

Chief Financial Officer/Chief Executive Officer Compliance Certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) is presented in a separate section forming part of this report as "ANNEXURE-G".

30. RISK MANAGEMENT POLICY:

The component of risk in the activities of your Company is very minimal. Managing Risk is an integral part of our business activity. The Company board & management constituted the Risk Management Committee consisting number of executive & non-executive directors for framing, reviewing & monitoring risk management plan & ensuring to mitigate the current & future risk exposure so as to safeguard Company & shareholders' interest and to assure business growth with financial stability.

The Committee monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

31. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5)(e) of the Companies Act, 2013. For the year ended 31st March, 2023, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

32. MAINTENANCE OF COST RECORDS:

The Directors state that the turnover of the Company does not exceed the limit prescribed for maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, accordingly such accounts and records are not made and maintained by the Company.

33. COMPLIANCE WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

It is stated that the Company has constituted an Internal Complaints Committee and complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

34. SECRETARIAL AUDIT:

Secretarial Auditors Messrs. P Talesara & Associates, Practising Company Secretaries, were appointed by the Board as the Secretarial Auditors of your Company for the financial year ended 31st March, 2023. The Secretarial Auditors have confirmed that your Company has complied with the applicable laws and that there are adequate systems and processes in your Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws. The Report of the Secretarial Auditors pursuant to Section 204 of the Act, is provided in the "Annexure-H" forming part of this Report along with the Secretarial Audit Report of Subsidiary Company as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Auditors Report:

There is no qualification, reservation or adverse remark made in the Report.

Fraud Reported by Auditor Against the Company:

The auditors have not reported any fraud under section 143(12) of Companies Act, 2013.

35. 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 Director or Managing director of the Company received any remuneration or commission from any of its holding or subsidiary.
- (d) Compliance with the conditions of Corporate Governance. The certificate from your Company's Statutory Auditors, Messrs. H.R. Jain & Co., confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations, is annexed as annexure II forming a part of Corporate Governance Report.

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

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act in respect Board Meetings and Annual General Meetings.

37. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016):

Neither any application made or nor any proceeding is pending under Insolvency and Bankruptcy Code, 2016.

38. DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS:

Since its inception, the Company has not entered into any One Time Settlement with banks or financial institutions.

39. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, AND THEIR APPOINTMENT:

The Corporate Governance Policy of your Company, inter alia, requires that the Non-Executive Directors be drawn from amongst eminent professionals, with experience in business/finance/law/public administration and enterprises. The Nomination & Compensation Committee has laid down the criteria for determining qualifications, positive attributes and independence of Directors (including Independent Directors). The Board Diversity Policy of your Company requires the Board to have balance of skills, experience and diversity of perspectives appropriate to your Company. The skills, expertise and competencies of the Directors as identified by the Board, along with those available in the present mix of the Directors of your Company, are provided in the 'Report on Corporate Governance' forming part of the Report and Accounts.

In terms of the applicable regulatory requirements read with the Articles of Association of your Company, the strength of the Board shall not be fewer than six nor more than eighteen. Directors are appointed/re-appointed with the approval of the Members for a period of three to five years or a shorter duration, in accordance with retirement guidelines and as may be determined by the Board from time to time. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise approved by the Members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

The Independent Directors of your Company have confirmed that (a) they meet the criteria of independence prescribed under Section 149 of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (b) they are independent from the management of your Company, and (c) they are not aware of any circumstance or situation which

could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act and the Listing Regulations, and are independent of the management of your Company.

40. FAMILIARIZATION PROGRAMME FOR DIRECTORS:

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarize the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant and mining locations are organized for the new Directors to enable them to understand the business better. Details of orientation given to the new and existing Independent Directors in the areas of strategy/ industry trends, operations & governance, and safety, health and environment initiatives are available on the website of the Company at <https://sahpolymers.com/>

41. INDEPENDENT DIRECTORS MEETING:

During the year under review a separate meeting of the Independent Director of the Company was held on 31st 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 and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

42. VIGIL MECHANISM/ WHISTLE BLOWER:

Your Company's Whistleblower Policy encourages Directors and employees to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact your Company's operations, business performance and/or reputation. The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. Anonymous complaints are also entertained if the complaint sets out specific allegations & verifiable facts, and is accompanied with supporting evidence. It is your Company's Policy to ensure that no complainant is victimized or harassed for bringing such incidents to the attention of your Company, and to keep the information disclosed during the course of the investigation as confidential. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee was denied access to the Committee during the year. The Whistleblower Policy is available on your Company's corporate website at <https://www.sahpolymers.com>.

43. ACKNOWLEDGEMENTS:

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support. We thank the Government of India and the State Government and other regulatory authorities and government agencies for their support and look forward to their continued support in the future.

For and on behalf of the Board of Directors
SAH POLYMERS LIMITED

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

“Annexure-A”

(Forming Part of Board's Report)

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23:

Name	Designation	Ratio
Mr. Asad Daud	Non-Executive Director	NIL
Mr. Hakim Sadiq Ali Tidiwala	Whole Time Director	4.56:1
Mr. Sanjay Suthar	Independent Director	NIL
Mr. Nikhil Khanderao Raut	Independent Director	NIL
Mr. Ramesh Chandra Soni	Independent Director	NIL
Ms. Chetna	Independent Director	NIL

- The percentage increase in remuneration of each director, chief financial officer, chief Executive officer, Company Secretary in the financial year 2022-23:

Name	Designation	% of increase in remuneration
Mr. Asad Daud	Non-Executive Director	NIL
Mr. Hakim Sadiq Ali Tidiwala	Whole-time Director	9.17%
Mr. Murtaza Ali Moti	CEO	33.29%
Mr. Lalit Kumar Bolia	Chief Financial Officer	20%
Ms. Runel Saxena*	Company Secretary	NIL
Independent Directors Sitting Fees		
Mr. Sanjay Suthar	Independent Director	NIL
Mr. Nikhil Khanderao Raut	Independent Director	NIL
Mr. Ramesh Chandra Soni	Independent Director	NIL
Ms. Chetna	Independent Director	NIL

*Appointed w.e.f. 4th June, 2022.

- The percentage increase in the median remuneration of employee in the financial year 2022-23: 3.37%.
personnel in the last financial year was 16.64% and its comparison with the percentile increase in the managerial remuneration was 20.82%.
- The number of permanent employees on the rolls of Company as on 31st March, 2023:
There were 95 number of permanent employees on the rolls of the Company as on 31st March, 2023.
- Average percentile increase already made in the salaries of employees other than the managerial
- Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration paid to Directors, Key Managerial Person and other employees are as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel, and other employees.

For and on behalf of the Board of Directors

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

“Annexure-B”

(Forming Part of Board's Report)

Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Our Policy on the Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel provides a framework based on which our human resources management aligns their recruitment plans for strategic growth of the Company.

DEFINITIONS:

“Act” means Companies Act, 2013 and rules framed there under, as amended from time to time.

“Board of Directors” or **Board**, in relation to the Company, means the collective body of the Directors of the Company.

“Committee” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“Company” means Sah Polymers Limited

“Managerial Personnel” means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013

“Policy” or “This policy” means Nomination and Remuneration Policy.

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“Key Managerial Personnel” means an individual as defined under Section 2(51) and Section 203 of Companies act, 2013:

- i) the Chief Executive Officer or the Managing Director or the Manager;
- ii) the Company Secretary;
- iii) the Whole Time Director;

- iv) the Chief Financial Officer;
- v) such other officer, not more than one level below the directors who is in the whole-time employment, designated as key managerial personnel by the Board; and
- vi) such other person as may be prescribed by the Company from time to time.

“Senior Managerial Personnel” mean officers/ personnel of the listed entity who are members of its core management team excluding the Board of Directors and normally this shall comprise all members of management one level below the chief executive director/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company secretary and chief financial officer.

PURPOSE:

Pursuant to the Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to the applicable provisions of SEBI (LODR) Regulations, 2015, the Board of Directors shall constitute the Nomination and Remuneration Committee, to guide the Board on various issues on appointment, evaluate the performance, remuneration of Directors, Key Managerial Personnel, etc.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board has re-constituted the “Nomination and Remuneration Committee” of the Board on 28th March, 2017. This is in line with the requirements under the Companies Act, 2013.

APPLICABILITY:

This Policy is applicable to all Directors, Key Managerial Personnel and Senior Managerial Personnel and such other officer as may be prescribed by the Board of Sah Polymers Limited.

OBJECTIVE:

The objective of the Policy is to ensure 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;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and;

- remuneration to Directors, Key Managerial Personnel and Senior Management 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.

ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board, Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To specify the manner for effective evaluation of performance of the Board, its committees and Individual Directors to be carried out by the Board, by the Nomination and Remuneration Committee or by independent external agency and review its implementation and compliance.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.

- 2) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the position.
- 3) 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.

TERM/TENURE

- 1) **Chairman/Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time under the terms of the applicable provisions of the law. No re-appointment shall be made earlier than one year before the expiry of term.
- 2) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- 3) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, 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 number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per the applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the requisite approvals obtained from the Members of the Company and from other concerned authorities, if required as per the applicable provisions.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.

2) Remuneration to Non- Executive/ Independent Directors:

- a) The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration

shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- e) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy and subject to the compliance with respect to SEBI LODR Regulations, to the extent it is applicable to the Company.
- b) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company

and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

DISCLOSURE

Certified copy of this Policy shall be placed on Company's website viz., "www.sahpolymers.com" for public view and salient features of this Policy and any changes therein, shall be disclosed in the Board's report along web address of this policy.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

AMENDMENT TO THE POLICY:

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when required. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions of this Policy, which are extracted from applicable provisions of Companies Act and SEBI (LODR) Regulations, 2015, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc. However, to bring the effects of such amendment(s), clarification(s), circular(s), etc. Committee may recommend such changes in this Policy to the Board for the approval in the meeting of the Board of Directors.

“Annexure-C”

(Forming Part of Board's Report)

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries

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

Part “A”: Subsidiaries

1.	Sl. No.	1
2.	Name of the subsidiary	Fibcorp Polyweave private limited
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N.A
4.	Reporting currency & Exchange rate as on last date of relevant Financial year in case of foreign subsidiaries	N.A
5.	Share capital (₹ in lakhs)	66.43
6.	Reserves & surplus (₹ in lakhs)	537.41
7.	Total assets	1524.97
8.	Total Liabilities	921.13
9.	Investments	0
10.	Turnover	4010.59
11.	Profit before taxation	101.89
12.	Provision for taxation	29.10
13.	Profit after taxation	72.79
14.	Proposed Dividend	0
15.	% of shareholding	51.01%

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NIL

Note: During the year there are no Subsidiaries or associates which are yet to commence operations & which have been liquidated or sold.

For and on behalf of the Board of Directors
SAH POLYMERS LIMITED

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

“Annexure-D”

(Forming Part of Board's Report)

FORM 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 arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements /transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

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

S. No.	Particulars	Details
a)	Name (s) of the related party	Fibcorp Polyweave Private Limited
b)	Nature of Relationship	Subsidiary Company
c)	Nature of contracts / arrangements /transactions	Purchase of machineries, Leasing of machineries, Purchase and Sales of Goods & Material, Rendering of any services.
d)	Duration of the contracts / arrangements /transactions	Contractual Basis
e)	Salient terms of the contracts or arrangements or transactions	In the normal course of business.
f)	Date(s) of approval/Consent by the Board	4 th February, 2022
g)	Amount paid as advances, if any	NIL

For and on behalf of the Board of Directors
SAH POLYMERS LIMITED

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

“Annexure-E”

(Forming Part of Board's Report)

Annual Report on CSR Activities for the Financial Year ended 31st March, 2023

(In terms of Rules 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014)

1. Brief outline on CSR Policy of the Company.

Sah Polymers Limited as a conscientious corporate citizen, recognizes the corporate social responsibility to address some of India's most challenging issues relating to education, health, equality and development of the weaker section of the society and always endeavours to contribute to the welfare and development of the society, in which it operates.

The Company had adopted CSR Policy as recommended by the CSR Committee and duly approved by the Board of Directors, pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The objective of the Policy is given hereunder:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women and differently-abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old aged homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- viii. Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and.
 - (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- x. Rural development projects.
- xi. Slum area development:

Explanation – The term “Slum area” shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- xii. Disaster management, including relief, rehabilitation, and reconstruction activities.

2. Composition of CSR Committee:

Sl. 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	Non-Executive Director Chairman	1	1
2	Mr. Ramesh Chandra Soni	Independent Director Member	1	1
3	Mr. Hakim Sadiq Ali Tidiwala	Whole-Time Director Member	1	1

3. The web-link(s):

Composition of CSR Committee & CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: <https://sahpolymers.com/investor-relations/>

4. 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:

Not Applicable

5. 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: NIL**6.**

	(₹ in lakhs)
(a) Average Net Profit/(Loss) for the last Three Financial years for the Computation of CSR amount as per section 135(5)	242.62 lakhs
(b) Two percent of average net profit calculated in referred in pt.(a)	4.85 lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(d) Amount required to be set off for the financial year, if any	NIL
(e) Total CSR obligation for the financial year (6a+6b-6c)	4.85 lakhs

7. (a) CSR amount spent or unspent for the financial year:

- (i) Total Amount Spent for the Financial Year 2022-23 is ₹ 4.91 lakhs.
(ii) Amount unspent: NIL

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

(c) Details of CSR amount spent during the financial year are as under:

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 was undertaken (specify state & district)	Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency. (Name of Agency)
1	Education & Health	Promoting Education and Preventive health to the Economically Weaker Section of the society	Yes	Udaipur, Rajasthan	4.25 lakhs	No	Taha Charitable Trust CSR Registration Number: CSR00011731

2.	Food	Eradicating hunger, poverty and malnutrition for the Economically Weaker Section of the society	Yes	Udaipur, Rajasthan	0.66 lakhs	No	Name: Asha Dham Ashram CSR Registration number: CSR00013178
Total					4.91 lakhs		

Refer Note no.62 of audited Standalone Financial statement attached.

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): ₹ 4.91 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company prescribed as per section 135(5)	₹ 4.85 lakhs
(ii)	Total amount spent for the Financial Year	₹ 4.91 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.06 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 0.06 lakhs

- 9.** (a) Details of Unspent CSR amount for the preceding three financial years: NIL
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A

10. There is no capital assets have been created or acquired through CSR spent in the financial year 2022-23.

11. The Company has not failed to spend two per cent of the average net profit as per section 135(5); refer point. No. 7 above.

For and on behalf of the Board of Directors
SAH POLYMERS LIMITED

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

“Annexure-F”

(Forming Part of Board's Report)

CORPORATE GOVERNANCE REPORT

In accordance with the Regulation 34(3) read with Schedule V Clause C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, a report on corporate governance for the year ended on 31st March, 2023 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In keeping with its commitment to the principles of good corporate governance, which it has always believed leads to efficiency and excellence in the operations of a Company, **SAH POLYMERS LIMITED** has been upholding fair and ethical business and corporate practices and transparency in its dealings. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company continuously endeavors to review, strengthen, and upgrade its systems and processes so as to bring in transparency and efficiency in its various business segments.

2. BOARD OF DIRECTORS

The Board of Directors (“The Board”) is composed of eminent persons with considerable professional experience in diverse fields. The composition of the Board is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (Amendment) Regulations, 2018 (hereinafter collectively referred to as “SEBI (LODR) Regulations”) and the Companies Act, 2013 (hereinafter referred to as “the Act”).

A. Composition of Board of Directors “the Board”:

The Board of Directors of the Company as on 31st March, 2023, comprises of 6 directors out of which 4 members are independent directors. The Company does not have any executive or non-executive regular Chairman.

Category	Number of Directors
Non-Executive	5
Executive Director	1

Table 1: The Composition & category of the Board & Number of Directorship & position(s) in Committee held by them as on 31st March, 2023:

Name of the Directors	Category	No. of Directorships held in other public companies	Name & Category of Directorship in other Listed entities	No. of Committee position(s) held in other Listed entities as on 31 st March, 2023	
				Chairman	Members
Mr. Asad Daud (DIN:02491539)	Non-Executive (Promoter)	2	SAT industries Ltd., Non-executive Director	-	01
Mr. Hakim Sadiq Ali Tidiwala (DIN:00119156)	Executive independent director (Non Promoter)	1	NIL	-	-
Mr. Ramesh Chandra Soni (DIN:00049497)	Non-Executive-Independent Director	2	SAT Industries Limited, Non-executive Independent Director	03	-
Mr. Sanjay Suthar (DIN:07777202)	Non-Executive-Independent Director	NIL	NIL	-	-

Mr. Nikhil Khanderao Raut (DIN: 06653335)	Non-Executive-Independent Director	NIL	NIL	-	-
Ms. Chetna (DIN: 08981045)	Non-Executive-Independent Director	9	1. ANG Lifesciences India Ltd. 2. AKG EXIM Ltd. 3. Best Agrolyf Ltd. 4. Esquire Money Guarantees Ltd. 5. Valecha Engineering Ltd, Non-executive Independent Director	4	8

Note:

* Mr. Asad Daud is the executive director till date 27th March,2023 of the Company.

* None of the Director is related to any other Director.

* As on 31st March, 2023, None of the Directors holds any shares in the Company apart from Mr. Asad daud who holds 1(One) equity Shares of Sat Industries Limited.

* Ms. Chetna (DIN: 08981045) has been re-appointed as an Independent Director of the Company for a term of 1 year w.e.f. 19th August, 2022.

B. Core competence of the Board:

The Board of Director is structured with a thoughtful combination of various skills, competencies and experience which brings in diversity to the Board's Perspectives.

Table 2: Core skills/expertise/competence

Area Of skills /expertise/ competencies	Name of the Directors					
	Mr. Asad Daud	Mr. Hakim Sadiq Ali Tidiwala	Mr. Ramesh Chandra Soni	Mr. Sanjay Suthar	Mr. Nikhil Khanderao Raut	Ms. Chetna
Business Management	✓	✓	-	-	✓	-
Accounts & Finance	-	-	✓	✓	-	✓
Knowledge of Industry operation	✓	✓	✓	-	-	-
Legal/ Governance	-	-	✓	-	-	✓
Leadership Quality	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	-	-	-	-

C. Board Meetings & the attendance of directors:

During the financial year 2022-23, Twenty (20) meetings of the Board were held, the dates being, 7th April, 2022; 19th April, 2022; 21st April, 2022; 30th April, 2022; 27th May, 2022; 4th June, 2022; 1st July, 2022; 3rd August, 2022; 5th September, 2022; 8th October, 2022; 3rd November, 2022; 25th November, 2022; 15th December, 2022; 20th December, 2022; 29th December, 2022; 6th January, 2023; 9th January, 2023; 11th January, 2023; 11th February, 2023, and 27th March, 2023 and the gap between two meetings did not exceed one hundred and twenty days.

Table 3. Attendance of each director at the Board meetings and AGM held during the Financial Year 2023:

Name of Director	Number of Board meetings held during year 2022-23	Number of Board meetings attended during year 2022-23	Whether last Annual General Meeting attended? (yes/ No)
Mr. Asad Daud	20	18	YES
Mr. Hakim Sadiq Ali Tidiwala	20	20	YES
Mr. Ramesh Chandra Soni	20	15	YES
Mr. Sanjay Suthar	20	20	YES
Mr. Nikhil Khanderao Raut	20	20	YES
Ms. Chetna	20	10	YES

D. Independent Directors:

All the Independent Directors have confirmed that they meet the 'Independence' criteria as provided under Section 149(6) of the Companies Act and Regulation 16(1)(b) of SEBI(LODR) Regulations, 2015.

In the Opinion of the Board, all the independent director fulfil the criteria of independence as specified under SEBI (LODR) Regulations, 2015 based on their confirmations/disclosures received and are independent of the management.

Separate Meeting of the Independent Directors:

During the year under review, a separate meeting of the independent directors of the Company was held on 31st March, 2023 to review the following and the meeting was attended by all the independent directors:

1. Review performance of non-independent directors and the Board of Directors as whole;
2. Assess the quality, quantity and timelines of flow of information between the management of the Company and the Board of Directors that

is necessary for the Board to effectively and reasonably perform their duties.

During the year none of the independent director resigns before the expiry of his/ her respective tenure.

Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2022-23, the Company imparted Familiarization Programme to Independent Directors to familiarize them about their roles and responsibilities of directors under the Company Act, 2013 and the SEBI (LODR), 2015 etc. The details of the familiarisation programme are available on the website of the Company at www.sahpolymers.com.

E. Code & Policies:

The Board has adopted all applicable codes and policies as per the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at www.sahpolymers.com.

Table No 4: Weblink of various Code and policies

Sr. No.	Code of Policies	Link
1	Nomination and Remuneration Policy	https://sahpolymers.com/wp-content/uploads/2022/12/Nomination-and-remuneration-policy.pdf
2	Vigil Mechanism/ Whistle Blower Policy	https://sahpolymers.com/wp-content/uploads/2022/12/Vigil-Mechanism-Policy.pdf
3	Policy on Determination of Materiality of Events	https://sahpolymers.com/wp-content/uploads/2022/12/Policy-for-det.-material-events.pdf
4	Prevention and Archival Policy	https://sahpolymers.com/wp-content/uploads/2022/12/Preserve-docs-and-archival-policy.pdf
5	Determining the Material Subsidiaries	https://sahpolymers.com/wp-content/uploads/2022/12/Policy-for-determining-material-subsidiary.pdf
6	Familiarisation Programme	https://sahpolymers.com/wp-content/uploads/2022/12/Familiarization-prog-for-indep-dir.pdf
7	Risk Management Policy	https://sahpolymers.com/wp-content/uploads/2022/12/Risk-Management-policy.pdf

8	Code of Directors and Senior Management Personnel	https://sahpolymers.com/wp-content/uploads/2022/12/Code-of-conduct-director-and-sr-mgt.pdf
9	Corporate Social Responsibility Policy	https://sahpolymers.com/wp-content/uploads/2023/03/CSR-Policy-Sah.pdf
10	Related Party Transaction Policy	https://sahpolymers.com/wp-content/uploads/2023/04/Related-Policy-Transaction-policy.pdf
11	Code of Insider Trading	https://sahpolymers.com/wp-content/uploads/2023/06/Code-of-Insider-trading.pdf

F. Code of Conduct for all Directors and Senior Management Personnel.

The Company has adopted a Code of conduct for its all directors and senior management and employees of the Company and this Code is available on the Company's website. All the Board members and Senior Management personnel affirm the Compliances with the code on annual basis.

The declaration signed by the Directors to this effect is provided at the end of this Report.

K. CFO Certification

As required under Regulation 17 (8) of SEBI (LODR) Regulations, Chief Financial Officers has certified to the Board that the Financial Statements for the financial year ended 31st March, 2023 do not contain any untrue statement and that these statements represents true and fair view of the Company's affairs and other matters as specified there under. A Copy of the Certificate is forming a part of Board Report.

3. COMMITTEES OF THE BOARD

The Board has constituted the following Committees of Directors:

(I) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act read with the rules made thereunder, and Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations. The Committee comprises of members who possess financial and accounting expertise/exposure. The audit Committee broadly performs in financial reporting Process.

Terms of Reference:

The Audit Committee has inter alia the following mandate:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending the appointment, remuneration and terms of appointment of auditors of the Company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. changes, if any, in accounting policies and practices and reasons for the same.
 - c. major accounting entries involving estimates based on the exercise of judgment by management.
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements.
 - f. disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the half yearly financial statements before submission to the Board for approval.
- vi. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence, performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related parties transactions subject to conditions as specified under rules;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;

- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. Of the candidate;
- xx. To investigate any other matters referred to by the Board of Directors;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The audit committee shall mandatorily review the following information:
- Management discussion and analysis of financial information and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
 - Statement of deviations:
 - half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - annual statement of funds utilized for purposes other than those stated in the offer document/Prospectus.
- The Audit Committee is required to meet at least four times in a year, with not more than 120 days elapsing between two meetings.
- Composition, Meetings & Attendance:**
Number of Meetings: During the Financial year 2022-23, Seven(7) Audit Committee Meetings were held, the dates being 5th April, 2022, 4th June, 2022, 1st July, 2022, 8th October, 2022, 3rd November, 2022, 13th December, 2022, and 11th February, 2023.

Table No.: 5 Composition of the Committee and Meetings attended by each member

Sr. No.	Name of Members	Category	Position	Total No. of Meetings	
				Held	Attended
1	Ramesh Chandra Soni	Non- executive Independent Director	Chairman	7	7
2	Nikhil Khanderao Raut	Non- executive Independent Director	Member	7	7
3	Hakim Sadiq Ali Tidiwala	Executive Director	Member	7	7

(2) Nomination And Remuneration Committee:

The Nomination and Remuneration Committee are constituted in accordance with the requirement of Section 178 of the companies Act, 2013 and Regulation 19 read with Part D(A) of Schedule II of SEBI (LODR) Regulations. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

Terms of Reference:

The Nomination and Remuneration Committee has inter alia the following mandate:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, senior management and other employees;

- (ii) Formulation of criteria for evaluation of independent directors and the Board;
- (iii) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (iv) Devising a policy on Board diversity; and
- (v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee shall meet at least once in a year.

Composition, Meetings & Attendance:

Number of Meetings: During the Financial Year 2022-23, the Committee met 3 times on 1st June, 2022; 30th June, 2022; and 27th March, 2023.

Table No.: 6 Composition of the Committee and Meetings attended by each member

Sr. No.	Name of Members	Category	Position	Total No. of Meetings	
				Held	Attended
1	Ramesh Chandra Soni	Non-executive Independent Director	Chairman	3	3
2	Nikhil Khanderao Raut	Non-executive Independent Director	Member	3	3
3	Sanjay Suthar	Non-executive Independent Director	Member	3	3

Performance evaluation criteria for independent directors:

Pursuant to the provisions of the Act read with the rules made thereunder, SEBI (LODR) Regulations and Guidance Note on "Board Evaluation", the Board of Directors ("Board") has carried out an annual evaluation of the performance of "the Board as a whole" and "the individual directors (including independent directors)" and "various Committees of the Board". For performance evaluation criteria please refer the Point no.19 of the Board Report.

(3) Stakeholders Relationship Committee:

The committee constituted in accordance with the requirements mandated under section 178 of the companies act and regulation 20 read with part d (b) of schedule ii of SEBI (LODR) regulations, 2015.

Terms of Reference

The Stakeholders Relationship Committee has inter alia the following mandate:

- (i) Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures, if any;

- (ii) Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/transmission of shares and debentures;
- (iii) Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
- (iv) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- (v) Allotment and listing of shares;
- (vi) Reference to statutory and regulatory authorities regarding investor grievances; and
- (vii) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- (viii) Any other power specifically assigned by the Board of Directors of the Company.

The Stakeholders Relationship Committee shall meet at least once in a year.

Composition, Meetings & Attendance:

Number of Meetings: During the Financial Year 2022-23, the Committee met once on 31st March, 2023.

Table No.: 7 Composition of the Committee and Meetings attended by each member

Sr. No.	Name of Members	Category	Position	Total No. of Meetings	
				Held	Attended
1	Sanjay Suthar	Non-executive Independent Director	Chairman	1	1
2	Asad Daud	Non-executive Director	Member	1	1
3	Hakim Sadiq Ali Tidiwala	Executive Director	Member	1	1

Compliance officer:

The Board has appointed Ms. Runel Saxena, the Company secretary of the Company as the compliance officer, as required under the Requirement of SEBI (LODR) Regulations, 2015.

Status of Investors' Grievances:

Table No.: 8 The total number of Shareholders complaints received / disposed /pending during the year 2022-23 is as follows:

Sr. No.	Shareholders Complaints	Number of Complaints
1	No. of shareholders' complaints received during the year	155
2	No. of complaints disposed off during the year	155
3	No. of complaints not resolved to the satisfaction of shareholders	NIL
4	No. of pending complaints	NIL

(4) Risk management committee:

Our Company does not fall under the Criteria given as per Regulation 21 of SEBI (LODR) Regulations 2015 in respect of applicability of Risk Management Committee. Hence not required to disclose the details of the Committee.

(5) Corporate Social Responsibility ("CSR Committee"):

The Corporate Social Responsibility committee was constituted in accordance with the requirements mandated under section 135 of the companies act 2013,

Terms of Reference

The Committee has inter alia the following mandate:

- To formulate the CSR Policy, and recommend to the Board from time to time, the activities/projects in line with such CSR Policy and seek its approval for expenditure thereon,
- To Identify and recommend the amount of CSR expenditure to be incurred on the CSR activities.
- Recommend to the Board, modification to the CSR Policy as and when required.

d) formulate and recommend to the Board, an annual action plan for a financial year, disclosing CSR projects or programmes and the manner of execution of the same, the modalities of utilization of funds and implementation schedules for the projects or programmes, monitoring and reviewing the transparent mechanism for the implementation status of each activities/ projects and programmes

e) The Committee members shall conduct its meeting, as and when it may feel necessary, to discuss on overall CSR activities.

f) The Committee may take the necessary assistance from its Senior Management, as may be necessary to implement and review the CSR activities. The Committee shall obtain requisite data from departmental head or senior management as it may think necessary.

The Committee shall meet as and when required to discuss the issues related to above.

Composition, Meetings & Attendance:

Number of Meetings: During the Financial Year 2022-23, the Committee met once on 25th March, 2023.

Table No.: 9 Composition of the Committee and Meetings attended by each member

Sr. No.	Name of Members	Category	Position	Total No. of Meetings	
				Held	Attended
1	Asad Daud	Non-executive Director	Chairman	1	1
2	Hakim Sadiq Ali Tidiwala	Executive Director	Member	1	1
3	Ramesh Chandra Soni	Non-executive Independent Director	Member	1	1

4. REMUNERATIONS OF DIRECTORS

Within the limits prescribed under the Act, the NRC determine & recommends to the Board the remuneration payable to the Executive Directors of the Company and thereafter, the Board consider the same for approval & by the members' resolutions, the remuneration so payable the details of which are provided in table No.: 10 below.

During the year there were no pecuniary relationship or transactions between the Company and any of its non-executive directors.

Criteria for making payments to non-executive directors:

Pursuant to the regulation 19 read with part d (a) of schedule ii of sebi (LODR) regulations sebi (LODR) regulations, 2015, the Company adopted the Nomination and Remuneration policy which formulate the criteria relating to the remuneration paid to the non-executive directors of the Company. For the availability of the copy of the policy please refer Table No.:4 of this report.

Table No.:10 Remuneration paid to the Executive Directors during the Financial year 2022-2023:

Sr. No.	Name of the Director	Category	Salary, Perquisites & other allowances (in ₹) per annum	Service contracts	Severance fees	Stock options details
1	Hakim Sadiq Ali Tidiwala	Executive Director	1765750/-	Contractual Period	NIL	NIL

5. GENERAL BODY MEETING

Table No: 11 Details in respect of the last three Annual General Meetings (AGMs) held and special resolutions passed thereat

Date of Meeting (Year)	No. of AGM	Time of the Meeting	Venue of the Meeting	Special Resolutions Passed at AGM (Yes/ No) with details
27 th July, 2020 (2019-20)	28 th AGM	2:00 P.M.	E-260-261, Mewar Industrial Area,	No
27 th September, 2021 (2020-21)	29 th AGM	2:00 P.M.	Madri-Udaipur	No
30 th September, 2022 (2021-22)	30 th AGM	2:00 P.M.	(Rajasthan)-313003	No

Note:

- During the last three financial years, no special resolution has been passed through postal ballot.
 - During the previous year no special resolution passed through postal ballot.
 - No Special Resolution at present is proposed to be passed through Postal Ballot.
- Therefore, the procedure for Postal ballot disclosure and the person name who conducted is not provided.

6. MEANS OF COMMUNICATION

a. Quarterly Results:

The unaudited quarterly financial results along with the limited review report thereon are announced within 45 days from the end of each quarter. These financial results, after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges, where the shares of the Company are listed. And the same is published in the Newspaper for the Investors and are being displayed on the Company's website at www.sahpolymers.com.

b. Newspaper wherein results normally published:

The financial results are published as per the requirements of regulation 33 & 47 of SEBI (LODR) Regulation, 2015 in prominent daily newspaper and the same also be intimated to the SEs and are being displayed on the Company's website.

The Company publishes dated 12th of February, 2023 the financial result in following newspaper:

1. English Daily Newspaper: **Financial Express.**
2. Hindi Daily Newspaper: **Jai Rajasthan.**

c. Website Address, where displayed:

The Company's website <https://sahpolymers.com/> contains a separate section on "Investor Relations" where relevant information is available.

d. Whether it also displays Official News Release:

The Company official release displays the results in "Business Update Report" are being intimated to the stock exchanges & circulate to the Shareholders and are also uploaded on the Company's website.

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

During the Financial Year 2022-23 no presentations were made to the analysts/ institutional investors.

8. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting("AGM"):**

No. of AGM	31 st AGM
Date & Day	14 th of July, 2023 & Friday
Time	11:00 A.M.
Venue	E-260-261, Mewar Industrial Area, Madri Udaipur (RJ) - 313003

Mode of conducting AGM	Physical/Audio-Video Conferencing
CUT-OFF Date for E-voting	7 th of July, 2023

Financial Year:

1st April, 2022 to 31st March, 2023

Dividend Payment Date:

If maiden dividend (final) is declared in the General Meeting shall be paid within the statutory limit of 30 days from the date of declaration.

Listing of securities on the Stock exchange(s)**Table No.:12 The Shares of the Company are Listed on the Following Stock Exchange:**

Name of Stock exchange	Address	Symbol/Scrip Code
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra –East, MUMBAI – 400051	NSE Symbol: SAH
Bombay Stock exchange Limited(BSE)	Phiroze Jeejeebhoy Towers 25 th Floor, Dalal Street, Mumbai- 400001	BSE Scrip Code: 543743
ISIN of the Company	INE035801013	

The Company has paid the Annual Listing Fees to both the Stock exchange.

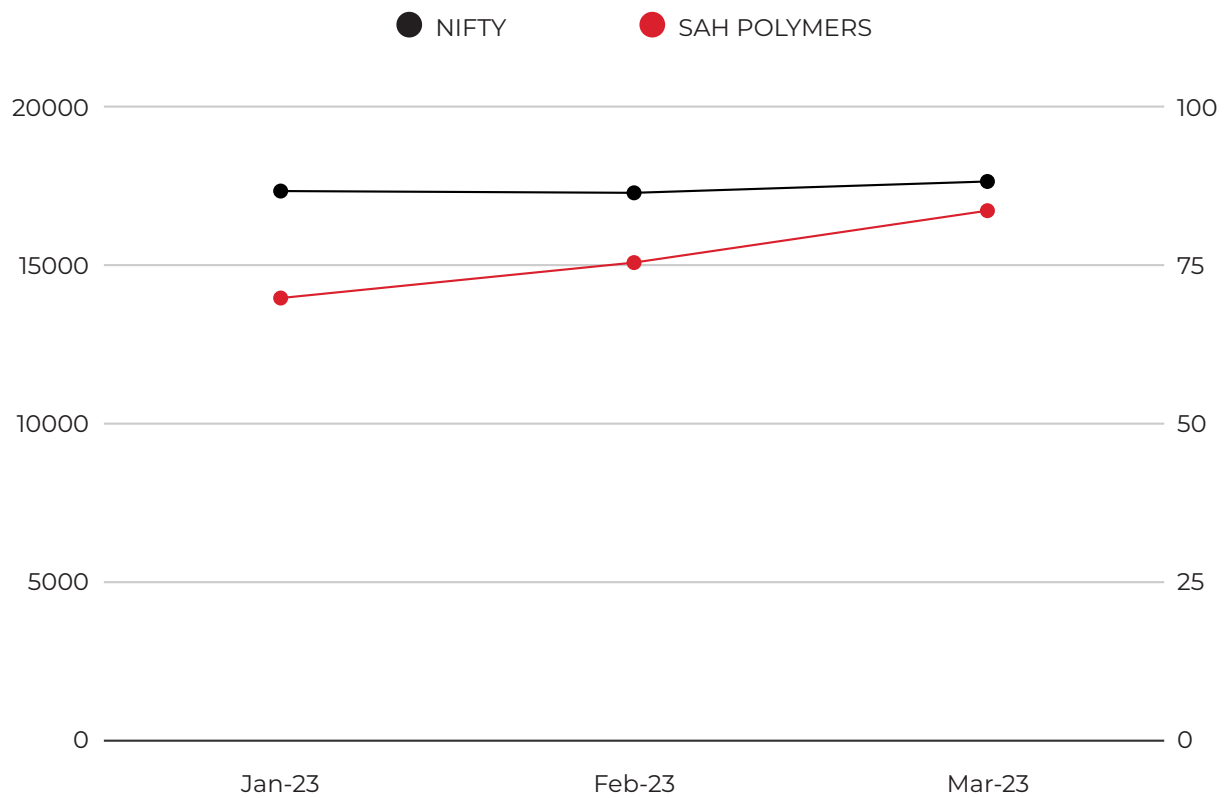
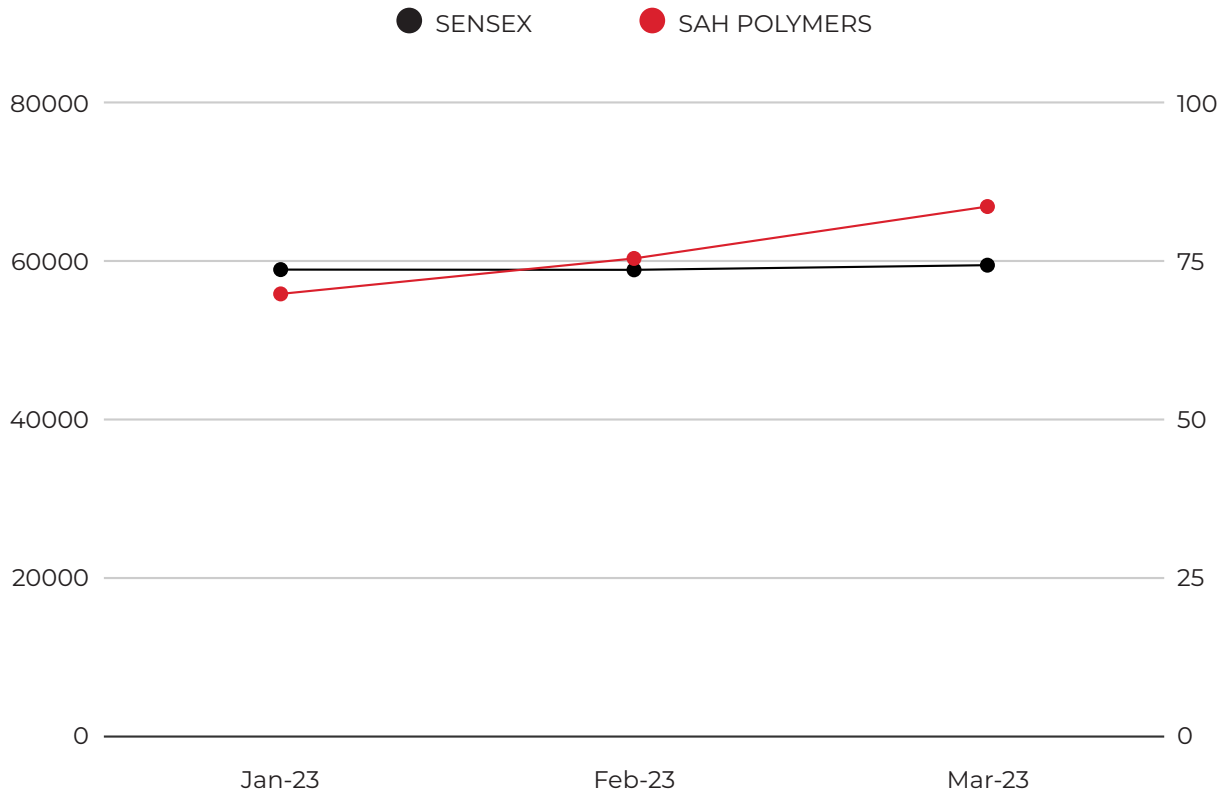
Market price data/ Stock performance Comparison Chart:

Table No.: 13 Monthly high/low market price of the shares during the financial year 2022-23 at the BSE Limited and at National Stock Exchange of India Ltd were as under:

Month* (2022-23)	NSE (Market price)		BSE (Market price)	
	High	Low	High	Low
January, 2023	92.80	80.10	90.40	73.15
February, 2023	88.50	70.55	88.50	70.75
March, 2023	81.85	67.25	82.30	65.00

*The Equity shares of the Company is listed and traded from 12th of January, 2023.

Table No.:14 Company stock performance In Comparison to BSE Sensex & NSE Nifty



Suspension of Trading:

The securities of the Company were not suspended from the trading on Stock exchange.

Registrar And Share Transfer Agent:**LINK INTIME INDIA PRIVATE LIMITED (RTA)**

Registered Office:

C-101, 1ST. Floor, 247 Park,
Lal Bahadur Shastri. Marg,
Vikhroli (West), Mumbai - 400083,
Maharashtra, India.

Tel: 022-49186200

Fax: 022-49186060

Website: www.linkintime.co.in

SEBI Registration no.: INR000004058

Email address (where investors request/ complaints/
queries entertained): Sahpolymers.ipo@linkintime.co.in

Share Transfer System:

The Shareholder's requests for transfer/Transmission/ Splits/consolidate. etc. of equity shares and other related matters are handled by Registrar & share Transfer Agent and are effected within the stipulated timelines, if all the documents are valid and in order.

Pursuant to the provision of regulation 40 of sebi (lodr) regulations, 2015 securities can be transferred only in dematerialized form. Members are requested to convert their physical holdings into demat form and may write to the RTA and Company. The Company obtains annual certificate from Practicing Company secretary confirming the issue of shares certificates for transfers/ transmission etc. is as per regulation 40(9) of SEBI (LODR) Regulations and submits a copy thereof to the both the stock exchanges, where shares of Company are listed.

Table No.: 15 (a) Distribution of shareholding as on 31st January, 2023:

Category (Share Range)	No. of shareholders	Number of Shares for ranges	%of total Shareholders	%of issued capital
1 to 500	10312	753659	92.8674	2.9216
501 to 1000	306	251497	2.7558	0.9749
1001 to 2000	171	259398	1.54	1.0056
2001 to 3000	68	170531	0.6124	0.6611
3001 to 4000	62	215918	0.5584	0.8370
4001 to 5000	36	173515	0.3242	0.6726
5001 to 10000	52	411439	0.4683	1.5950
10001 & above	97	23560043	0.8736	91.3322
Total	11104	25796000	100	100

Table No.:16 (b) Share Holding pattern as on 31st March, 2023:

Sr. No.	Category of Shareholders	No. of Shares Held	%of total Share capital held
A	PROMOTER AND PROMOTER GROUP		
(I)	Promoters	14316000	55.5
(II)	Promoters Group	1280000	4.96
	Total Promoter shareholding	15596000	60.46
B	PUBLIC		
(I)	Institutions (Foreign):		
	Foreign Portfolio	3044915	11.81
	Sub Total B	3044915	11.81
(II)	Non-Institutions:		
	(i) Resident Indian Individual	4661410	18.07
	(ii) Non-Resident Indian	79867	0.31
	(iv) Bodies Corporate	2008124	7.78
	Sub Total B(II)(i to iv) (b)	6749401	26.16
(III)	Any other (specify):(c)	405684	1.57
	(i) Limited Liability Partnership	31739	0.12
	(ii) HUF	362919	1.40
	(iii) Clearing Members	11026	0.04
	Sub Total B ((a) +(b)+(c)	10200000	39.54
	Total Shareholding (A)+(B)	25796000	100.00

Dematerialization of shares and liquidity:

As on 31st March, 2023 100% of total issued equity shares of the Company was held in dematerialized form with the depositories. The shares of the Company are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The percentage of dematerialization of shares are:

CDSL - 23.11%

NSDL - 76.89%

Physical – 0

Total – 100%

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/Warrants/Bonds or any convertible Instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is not dealing in the Commodity price and Commodity hedging activities.

Plant Locations:

MANUFACTURING UNIT:

Sah Polymers Limited

E-260-261, Mewar, Industrial Area, Madri
Udaipur (Raj.)-313003.

Sah Polymers Limited (UNIT-II)

Araji No. 1164-1166, Village Modi,
Tehsil: Vallabh Nagar,
Bhinder, Udaipur,
(Raj.)-313602.

Addresses for the Correspondence:

For any information related to share transfer/dematerialisation of shares/payment of dividend/other queries & complaints relating to shares:

LINK INTIME INDIA PRIVATE LIMITED (RTA)

C-101, 1ST. Floor, 247 Park,
Lal Bahadur Shastri. Marg,
Vikhroli (West), Mumbai - 400083,
Maharashtra, India.

Tel: 022-49186200

Fax: 022-49186060

Website: www.linkintime.co.in

Email address: Sahpolymers.ipo@linkintime.co.in

For any queries on investors' assistance of the Company.

Company secretary & compliance Officer

Sah Polymers Limited

E-260-261, Mewar, Industrial Area, Madri,
Udaipur (Raj.)-313003.

Email address: cs@sahpolymers.com

Tel: + 91 294 2493889

Credit Rating:

The Company does not have any debt Instruments, fixed deposits programme or any scheme or proposal for mobilization of funds. Hence, not obtained any Credit Rating for this purpose.

9. OTHER DISCLOSURES

(a) Materially significant related party transactions:

As per regulation 23 of SEBI (LODR) Regulations, 2015 the Company has formulated a policy on materiality of Related Party transactions on dealing with the related Party transactions and the same has been uploaded on the Companies websites.

During the year there have been no materially significant related party transactions except for those disclosed in the financial statement for the year ended on 31st March, 2023. None of these transaction had potential conflicts with the interest of the Company.

(b) Details of Non-compliance /penalty/ Strictures:

No penalty, strictures has been imposed on the Company by Stock Exchanges or SEBI or any statutory authority nor has there been any instance of non-compliance with any legal requirements on any matter related to capital markets, during the last three years.

(c) Vigil mechanism/whistle blower policy:

Pursuant to the Regulation 22 of SEBI (LODR) Regulations the Company has implemented a Whistle Blower Policy/Vigil Mechanism with a view to provide a mechanism for Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company to report any instances of violations of laws, rules and regulations, unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Whistle Blower Policy is available on the Company's website. For the availability of the policy please refer Table No.:4 of this report.

(d) Details of utilization of funds raised under Regulation 32 (7A):

During the year the Company has raised ₹ 6630 lakhs by way of initial public offer, the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised:

Particulars	Amount (₹ in lakhs)
Fund raised Through Initial Public Offer on 9 th January, 2023	6630
Total Fund Raised and available for Utilizations	6630
Funds utilized during the year ended 31 st March, 2023	4964.5

The Company has temporarily invested the unutilised amount as on 31st March, 2023, in fixed deposits with the scheduled commercial bank.

(e) Certificate from a Company secretary in Practice:

A certificate from M/s. P. Talesera & Associates, Practicing Company Secretaries, has been obtained that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/MCA or any such other statutory authority. The said certificate is attached to this report. **Annexure-I**

(f) Recommendation / Non- Recommendation from committees to the board:

During the year under review, there were no such instances where the Board has not accepted the recommendation/submission by the committee which were mandatorily required to be made.

(g) Audit fees for services paid by the listed entity:

M/s. H.R. Jain & Co. Chartered Accountant (FRN. No.: 000262C) have been appointed as the statutory auditor of the Company. The total fees for all services paid are as follows:

Sr. No.	Particulars	Amount (₹ in lakhs)
1	As audit fees	0.48
2	For reimbursement of expenses	0.05

(h) Disclosures Under sexual harassment of women at workplace (prevention, prohibition, and redressal) act, 2013:

The Company duly constituted the Internal complaints Committee for the redressal of complaints receive related to the sexual harassment

as per the requirement of sexual harassment of women at workplace (prevention, prohibition, and redressal) act, 2013. The details are as follows:

- 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

(i) Material Subsidiaries:

As per the definition given under Regulation 16 of SEBI(LODR) Regulations,2015, the Company has one (1) material Subsidiary, named as "FIBCORP POLYWEAVE PRIVATE LIMITED" and Mr. Sanjay Suthar, the independent director of the Company is appointed as the director of the Board of the Subsidiary as per mandatory requirements of the Regulation 24(1) of SEBI(LODR) Regulations, 2015.

Details of Material subsidiary are:

Date & Place of Incorporation	31 st July, 2017, & Udaipur (Rajasthan)
Name of statutory auditors	Ajay Paliwal & Co.
Date of appointment	30 th September, 2022

10. COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS:

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of the Schedule V of the SEBI (LODR) Regulations & the Company may adopted the non-Mandatory requirements please refer Point no 11 of this Report.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT, WITH REASONS THEREOF SHALL BE DISCLOSED

There is no instance of non-compliance of any requirement of Corporate Governance report of sub-para (2) to (10) of para C of Schedule -V of SEBI Listing Regulations.

NON-MANDATORY REQUIREMENTS:**A. The Board**

The Company have not appointed any chairperson whether executive or non- executive to maintain Chairperson's office.

B. Shareholder Rights

The Company's published the results in the newspapers and the same is posted on its website, therefore it is not required to send to households to each of the shareholders. However, the Company may furnish the quarterly and half yearly results on receipt of a request from the shareholders.

C. Modified/unmodified opinion(s) in audit report

The Auditor's report submitted by the statutory auditor of financial statement for the year ended on 31st March, 2023 is contained unmodified Opinion and the declaration of the same pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith the Financial Statement.

D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The Company does not have any position of chairperson during the year.

E. Reporting of Internal Auditor

The internal auditor of the Company directly reports to the audit committee.

13. Compliance Certificate:

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and Regulation 46 of the SEBI (LODR) Regulations.

A certificate issued from M/s. H.R.Jain & Co., Statutory Auditor of the Company regarding compliances of Conditions of Corporate Governance is annexed with the Report in **Annexure-II**

14. DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

The Company do not have any shares in the demat suspense or unclaimed suspense account.

Declaration

This is to certify that **SAH POLYMERS LIMITED** (“the Company”) has laid down the policy (“code of Conduct”) for all the Board members and Senior Management Personnel of the Company.

Further we hereby certify that all the Members of the Board and the Senior Management Personnel have affirmed the compliance with the “Code of Conduct “for the year ended 31st March, 2023.

For and on behalf of the Board of Directors
SAH POLYMERS LIMITED

Place: UDAIPUR
Dated: 18th May, 2023

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156

Asad Daud
Director
DIN: 02491539

Annexure-I

(Forming Part of Corporate Governance Report)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Sah Polymers Limited,
CIN: U24201RJ1992PLC006657
E-260-261, Mewar Industrial Area,
Madri, Udaipur-313003.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sah Polymers Limited**, having **CIN: U24201RJ1992PLC006657** ("the Company") and having Registered Office at **E-260-261, Mewar Industrial Area, Madri, Udaipur-313003, Rajasthan** (hereinafter referred to as 'the Company'), produced before 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 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 by the Company and its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 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.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ramesh Chandra Soni	00049497	3 rd April, 2009
2	Mr. Hakim Sadiq Ali Tidiwala	00119156	29 th September, 1998
3	Mr. Asad Daud	02491539	3 rd April, 2009
4	Mr. Nikhil Khanderao Raut	06653335	10 th March, 2017
5	Mr. Sanjay Suthar	07777202	28 th March, 2017
6	Ms. Chetna	08981045	19 th August, 2021

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

For P. Talesara & Associates
Company Secretaries

(Pawan Talesara)
Proprietor

FCS No.: 8096, C P No.: 2674
UDIN: F008096E000178332

Place: Udaipur (Raj.)
Date: 24th April, 2023

Annexure-II

(Forming Part of Corporate Governance Report)

Compliance Certificate on Corporate Governance

To the Members of
SAH POLYMERS LIMITED
E 260-261, Mewar Industrial Area,
CIN: U24201RJ1992PLC006657
Madri, Udaipur,
Rajasthan-313003.

We have examined the compliance of conditions of Corporate Governance by Sah Polymers Limited for the year ended on **31st March, 2023** ("Period Under Review").

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

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India (if any), we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March, 2023.

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.

For M/S H.R. Jain & Co.
Chartered Accountants
Firm Registration No 000262C

(Manoj Jain)
Partner
Membership No. 400459
Place: Udaipur
Date: 18th May, 2023
UDIN: 23400459BGUKL5302

“Annexure-G”

(Forming Part of Board's Report)

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
SAH POLYMERS LIMITED,
E 260-261, MEWAR INDUSTRIAL AREA, MADRI,
UDAIPUR, RAJASTHAN 313003.

- A. We, Lalit Kumar Bolia, CFO and Hakim Sadiq Ali Tidiwala, Whole Time Director of Sah Polymers Limited, have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of our 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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We 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) 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 listed entity's internal control system over financial reporting.

For **SAH POLYMERS LIMITED**

Place: UDAIPUR
Dated: 18th May, 2023

Lalit Kumar Bolia
Chief Financial Officer

Hakim Sadiq Ali Tidiwala
Whole Time Director
DIN: 00119156

“Annexure-H”

(Forming Part of Board's Report)

Form No. MR-3

SECRETARIAL AUDIT REPORT

(FOR THE FINANCIAL YEAR ENDED 31.03.2023)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,
The Members,
SAH POLYMERS LIMITED
CIN: U24201RJ1992PLC006657
Regd. Office: E-260-261 Mewar Industrial Area,
Madri, Udaipur, RJ 313003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAH POLYMERS LIMITED** (name of the Company) (herein after 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 **SAH POLYMERS LIMITED** (the Company's) books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives made available to us through electronic mode, during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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, minute books, forms and returns filed and other records maintained by **SAH POLYMERS LIMITED** ("the Company") for the financial year ended on 31.03.2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2021;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (Amendment) Regulations, 2021;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI(Share based Employees Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);** and

- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- (vi) Other Laws as applicable to the Company as certified by the Management:
1. Employee's Provident Funds & Miscellaneous Provisions Act, 1952
 2. Employee's State Insurance Act, 1948
 3. The Payment of Bonus Act, 1965
 4. Payment of Gratuity Act, 1972
 5. The Contract Labour (Regulation And Abolition) Act, 1970
 6. Negotiable Instruments Act, 1881
 7. The Central Goods And Services Tax Act, 2017
 8. The Income Tax Act, 1961
 9. Indian Stamp Act, 1899
 10. The Water (Prevention and Control of Pollution) Act, 1974
 11. The Air (Prevention and Control of Pollution) Act, 1981
 12. The Contract Act, 187
 13. Arbitration and Conciliation Act, 1996
 14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 15. The Payment of Wages Act, 1936
 16. The Minimum Wages Act, 1948
 17. Industrial Disputes Act, 1947
 18. The Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

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

We further report that

The Company got listed and admitted to dealing on Main Board of BSE and NSE w.e.f. 12th January, 2023.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Mr. Debanshu Deb resigned from the post of Company secretary w.e.f. 4th June, 2022 and Mrs. Runel Saxena has been appointed as Whole time Company Secretary and Compliance Officer of the Company w.e.f. 4th June, 2022.

Ms. Chetna has been reappointed as Independent director of the Company w.e.f. 1st August, 2022.

The Designation of Mr. Asad Daud, was changed from Managing Director to Director of the Company w.e.f. 27th March, 2023.

Adequate notice has been given to all the directors to schedule the Board Meetings and Committee Meetings, Agenda and detailed notes on agenda were sent in accordance with provisions of The Act, Rules and Regulations and a system exists for meaningful participation at the meeting. All decisions at board meeting and Committee meetings have been carried out 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

There are 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 have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

For P. Talesara & Associates
Company Secretaries

sd/
(Pawan Talesara)

Proprietor

FCS No.: 8096, C P No.: 2674

UDIN: F008096E000166386

Place: Udaipur (Raj.)
Date: 24th April, 2023

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2023

(Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the circular no. CIR/CFD/CMDI/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India)

To,
The Members,
FIBCORP POLYWEAVE PRIVATE LIMITED
CIN: U 17309RJ20 I7PTC05869 I
Regd. Office: E 260-261, Mewar Industrial Area,
Madri, Udaipur (Raj.)-313003.

We have conducted the secretarial audit, in terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the circular no. CIR/CFD/CMDI/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India, We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FIBCORP POLYWEAVE PRIVATE LIMITED** (name of the Company) (herein after 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 **FIBCORP POLYWEAVE PRIVATE LIMITED** (the name of Company's) books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives made available to us through electronic mode, during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st MARCH, 2023 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, minute books, forms and returns filed and other records maintained by **FIBCORP POLYWEAVE PRIVATE LIMITED** ("the Company") for the financial year ended on 31st MARCH, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:
 - (a) He Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with amendment made vide Regulations 2019; (Not applicable to the Company during the audit period);
 - (b) (He Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, (Not applicable to the Company during the audit period);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015: NA

(vi) Other Laws as applicable to the Company as certified by the Management:

1. Employee's Provident Funds & Miscellaneous Provisions Act, 1952
2. Employee's State Insurance Act, 1948
3. The Payment of Bonus Act, 1965
4. Payment of Gratuity Act, 1972
5. The Contract Labour (Regulation And Abolition) Act, 1970
6. Negotiable Instruments Act, 1881
7. The Central Goods And Services Tax Act, 2017
8. The Income Tax Act, 1961
9. Indian Stamp Act, 1899
10. The Water (Prevention and Control of Pollution) Act, 1974
11. The Air (Prevention and Control of Pollution) Act, 1981
12. The Contract Act 1872
13. Arbitration and Conciliation Act, 1996
14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
15. The Payment of Wages Act, 1936
16. The Minimum Wages Act, 1948
17. Industrial Disputes Act, 1947
18. The Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The Company is subsidiary Company of M/s Sah Polymers Limited since 5th January, 2022, which has got Listed and admitted to dealing on Main Board of BSE and NSE w.e.f. 12th January, 2023.

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 during the period under review were duly made as per provisions of the Companies Act, 2013 read with relevant rules as under:

1. Mr. Sanjay Suthar was appointed as a non-executive independent director of the Company w.e.f. 20th February, 2023

Adequate notice has been given to all the directors to schedule the Board Meetings and Committee Meetings, Agenda and detailed notes on agenda were sent in accordance with provisions of The Act, Rules and Regulations and a system exists for meaningful participation at the meeting. All decisions at board meeting and Committee meetings have been carried out 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

There are 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 have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

For P. Talesara & Associates
Company Secretaries

Place: Udaipur (Raj.)
Date: 24th April, 2023

(Pawan Talesara)
Proprietor

FCS No.: 8096, C P No.: 2674
UDIN: FO08096E000171523

Annexure-A: List of Documents verified under Co. Act 2013

1. Memorandum and Articles of Association of the Company.
2. Annual Return for the financial year ended 31.03.2022.
3. Minutes of the meetings of the Board of Directors and Audit Committee along with Attendance Register maintained during the financial year under Report.
4. Minutes of General Meetings held during the financial year under Report.
5. All statutory Registers.
6. Agenda papers sent for the Board Meetings and Committee Meetings.
7. Declaration received from the Directors of the Company pursuant to the provisions of section 184 of The Companies Act, 2013.
8. E- Forms filed by the Company, from time- to-time, under applicable provisions of the Companies Act, 2013 and attachments thereto during the financial year under Report.

For P. Talesara & Associates
Company Secretaries

Place: Udaipur (Raj.)
Date: 24th April, 2023

(Pawan Talesara)
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000171523

This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.

Appendices A

To,
The Members,
FIBCORP POLYWEAVE PRIVATE LIMITED

Our Report of given date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our 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 we 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. Wherever 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 and 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.

For P. Talesara & Associates
Company Secretaries

Place: Udaipur (Raj.)
Date: 24th April, 2023

(Pawan Talesara)
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000171523

Independent Auditor's Report

on the Audit of the Standalone Financial Statements

To the Members of Sah Polymers Limited Opinion

We have audited the standalone financial statements of Sah Polymers 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 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.

Responsibility of Management for Standalone Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the

Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, in terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the **Annexure – "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (ii) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 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 adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- (v) During the year the Company has neither declared nor paid any dividend.

For H R JAIN & CO.,
Chartered Accountants
Firm's Registration No. 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: 18th May, 2023
ICAI UDIN: 23400459BGUJZW9666

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars Intangible Assets.
- (b) These property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer; specifying the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statement does not arise.
- (ii) (a) The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with the third parties, these have substantially been confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such bank or financial institutions are in agreement with the books of account of the Company.
- (iii) During the year the Company has neither made investment nor provided any security but has, however, provided guarantee and unsecured loans and advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties:
- (a) During the year the company has provided loans or provided advances in the nature of loans and stood guarantee but has not provided security to any other entity.

(A) & (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees to:

(₹ In lakhs)

Particulars	Aggregate amount for the financial year 2022-2023		Balance outstanding as at 31 st March, 2023	
	Loan	Guarantee	Loan	Guarantee
Subsidiaries, joint ventures and associates	345.00	300.00	345.00	300.00
Other than subsidiaries, joint ventures and associates	839.98	0.00	841.95	0.00

- (b) the Company has neither made investment nor given security. Further the terms and conditions of the grant of all loans and advances in the nature of loans and guarantee provided 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 the aforesaid loans, there is no amount overdue for more than ninety days.
- (e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

Aggregate amount (₹ In lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 (₹ In lakhs)
1184.98	99.83	345.00

- (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
Income Tax Act, 1961	Income tax demand	0.79 (Net of deposit)	FY 2014-15	CIT (Appeal)

- (viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), that has not been recorded in the books of account.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted 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 Willful Defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been utilised for long term purposes by the Company.
- (e) According to the information and explanations given to us, and the procedure performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, and the procedure performed by us, we report that the company has not raised loans during the year on the pledged of securities held in its subsidiaries, joint venture, or associate companies.
- (x) (a) During the year the Company raised ₹ 6630 lakhs by way of initial public offer. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised, except for the following:

(₹ In lakhs)

Nature of the fund raised	Purpose for which funds were raised	Total Amount Raised /opening un-utilized balance	Amount utilized for the other purpose	Unutilized balance as at Balance sheet date	Details of default (Reason /Dela	Subsequently rectified (Yes/No) and details
Initial Public Offer	Setting up of a new manufacturing facility to manufacture new variant of Flexible Intermediate Bulk Containers (FIBC)	817.18	412.16	405.02	Amount was raised during the fag end of the financial year	NA
	Repayment of certain secured and unsecured borrowings	1,966.15	1,966.15	0	0	NA
	Funding the working capital requirements	1,495.81	1495.81	0	0	NA
	General corporate purposes	1250.47	0.00	1250.47	Amount was raised during the last lag of the financial year	NA
	Issue related expenses	1100.39	1090.38	10.01	Amount was raised during the last lag of the financial year	NA

We further report that the pending utilisation, the Company has temporarily invested the unutilised amount as on 31st March, 2023, in fixed deposits with the scheduled commercial bank.

- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, reporting under clause 3(xx) (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 and as represented by the Management, the Company has received no whistle -blower complaints during the year. Accordingly, reporting under clause 3(xi) (c) of the Order is not applicable to the Company.
- (xii) (a) As the Company is not a Nidhi company, therefore, the clauses (xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 of the Act.
- (xiv) (a) In our opinion and According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the Management of the Company, the Group does not have any CIC, which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanation given to us and on the basis of the financial ratios (also refer Note 57 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance

Sheet date will get discharged by the Company as and when they fall due.

(xx) (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 61 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(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For H R JAIN & CO.,

Chartered Accountants

Firm's Registration No. 000262C

Manoj Jain

Partner

Place of signature: Udaipur

Membership No.: 400459

Date: 18th May, 2023

ICAI UDIN: 23400459BGUJZW9666

Annexure - B to the Independent Auditor's Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **SAH POLYMERS 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 (ii) (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date) the risk that the internal financial control over financial reporting

may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 H R JAIN & CO.,

Chartered Accountants

Firm's Registration No. 000262C

Manoj Jain

Partner

Place of signature: Udaipur

Membership No.: 400459

Date: 18th May, 2023

ICAI UDIN: 23400459BGUJZW9666

BALANCE SHEET

For The Year Ended 31st March, 2023

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	4,334.32	1,438.31
(b) Capital work-in-Progress	3	92.97	668.44
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	3	0.52	1.76
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(i) Investments	4	560.78	560.78
(ii) Trade receivables		-	-
(iii) Loans	5	1.97	-
(iv) Others	6	125.38	688.13
(j) Deferred tax assets (net)		-	-
(j) Other non-current assets	7	5.68	147.80
(2) Current assets			
(a) Inventories	8	1,783.92	1,063.32
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	9	1,057.24	1,217.83
(iii) Cash and cash equivalents	10	1,050.04	128.15
(iv) Bank balances other than (iii) above	11	1,089.99	59.22
(v) Loans	12	1,184.98	684.34
(vi) Others	13	6.96	4,389.21
(c) Current Tax Assets (Net)	14	-	1.79
(d) Other current assets	15	408.37	155.67
Total Assets		11,703.12	6,199.20
EQUITY			
(a) Equity Share Capital	16	2,579.60	1,559.60
(b) Other Equity	17	5,830.09	8,271.14
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	845.58	131.19
(ia) Lease liabilities			
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b))		-	845.58
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	19	179.69	145.48
(d) Other non-current liabilities		-	-
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,417.73	2,739.73
(ia) Lease liabilities			
(ii) Trade payables:	21		
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		553.09	578.96
(iii) Other financial liabilities (other than those specified in item (c))	22	2.10	1,972.92
(b) Other current liabilities	23	241.06	118.31
(c) Provisions	24	0.44	-
(d) Current Tax Liabilities (Net)	25	53.74	96.33
Total Equity and Liabilities		11,703.12	6,199.20
See accompanying notes to the financial statements	1 to 71		

As per our Audit report of even date attached.

For and on behalf of

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

For and on behalf of the Board

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

RUNEL SAXENA
Company Secretary
M.No.28022

ASAD DAUD
Director
DIN: 02491539

STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March, 2023

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022	
Income:				
I	Revenue from operations	26	8,235.34	7,572.75
II	Other income	27	150.48	74.03
III	Total Income (I+II)		8,385.82	7,646.78
IV Expenses:				
	Cost of Materials consumed	28	4,223.58	4,656.21
	Purchases of Stock-in-Trade	29	1,819.35	1,232.15
	Changes in inventories of finished goods work-in-progress and Stock -in-Trade	30	(503.66)	(456.09)
	Employee benefits expense	31	286.19	218.28
	Finance costs	32	190.94	118.08
	Depreciation and amortization expense	3	112.55	83.14
	Other expenses	33	1,846.27	1,280.88
	Total expenses		7,975.22	7,132.65
V	Profit before exceptional items and tax (III-IV)		410.60	514.13
VI	Exceptional items		-	-
VII	Profit/(loss) before tax (V-VI)		410.60	₹ 514.13
VIII Tax expense :				
	(a) Current tax		70.39	108.90
	Less: MAT credit entitlement		50.82	-
	(b) Short/excess provisions of earlier years.		0.36	-
			19.93	108.90
	(2) Deferred tax		85.03	2.81
IX	Profit(loss)for the period from continuing operation (VII-VIII)		305.64	402.42
X	Profit/(Loss) from discontinued operations.		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operation (X-XI)		-	-
XIII	Profit(loss) for the period (IX+XII)		305.64	402.42
XIV Other Comprehensive Income				
	A(i) Item that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-
	B(i) Item that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to item that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)		305.64	402.42
XVII Earnings per equity share:(for continued Operation):				
	(1) Basic	31	1.71	2.58
	(2) Diluted	31	1.71	2.58
XVII Earnings per equity share:(for discontinued Operation):				
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII Earnings per equity share:(for discontinued & continuing operations)				
	(1) Basic	31	1.71	2.58
	(2) Diluted	31	1.71	2.58

See accompanying notes to the financial statements 1 to 71

As per our Audit report of even date attached.

For and on behalf of

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

For and on behalf of the Board

Manoj Jain
Proprietor
M.No. 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

CASH FLOW STATEMENT

For The Year Ended 31st March, 2023

(₹ in lakhs)

Sr. No	Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
A	Cash Flow from Operating Activities		
	Net Profit before tax	410.60	514.13
	Adjustments for:		
	Depreciation	112.55	83.14
	Interest Paid	175.60	115.93
	Interest received	(31.75)	(2.86)
	Unrealised foreign exchange fluctuation on conversion	(11.87)	(8.06)
	(Profit)/Loss on sale of property, plant and equipment	-	(0.09)
	Provision for gratuity and leave encashment.	0.44	-
	Operating Profit before working capital changes	655.57	702.19
	Adjustment for Changes in Working Capital:		
	Decrease/(Increase) in Trade Receivables	172.46	(240.54)
	Increase/(decrease) in other current liabilities and provision	122.75	(50.26)
	Increase in financial liabilities	(0.36)	-
	Increase in Loan	(502.61)	(6.61)
	Decrease in other current financial assets	5.31	
	Other bank Balances	(1,030.77)	(8.59)
	Increase/(Decrease) in Trade Payables	(25.87)	237.99
	Increase in other non current assets	142.12	(146.23)
	Non Current Financial assets	(65.86)	(2.89)
	Increase in other current assets	(252.70)	(59.77)
	Increase in tax assets	1.79	-
	Decrease/(Increase) in Stock	(720.60)	(491.76)
	Cash Generated from Operations	(1,498.77)	(66.47)
	Income Taxes Refund/(Paid)	113.34	30.23
	Net Cash Inflow/(Out Flow) from Operation (A)	(1,612.11)	(96.70)
B	Cash Flow from Investing Activities:		
	Sale of fixed assets	-	0.09
	Purchase of fixed assets	(3,007.32)	(98.72)
	Capital-work-in progress	575.47	(666.69)
	Acquisition of subsidiary	-	(560.78)
	Interest received	31.75	2.86
	Net Cash Inflow/(Outflow) from investing Activities (B)	(2,400.10)	(1,323.24)
C	Cash flow from Financing Activities		
	Repayment of borrowings	(1,735.71)	-
	Share Capital	6,630.00	
	Increase in borrowing	927.97	1,502.71
	Capital issue expenses	(912.69)	(24.43)
	Interest Paid	(175.60)	(115.93)
	Net Cash Inflow/(Out Flow) from Financing Activities (C)	4,733.97	1,362.35
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	721.76	(57.59)
	CASH AND CASH EQUIVALENTS		
	As at the beginning of the year (Refer Note 10)	128.15	194.30
	Cash and cash equivalent of amalgamating Company	-	-
	Less: Cash Credit	681.98	690.54
	As at the end of the year (Refer Note10)	1,050.04	128.15
	Less: Cash Credit	882.11	681.98
	Net Increase/Decrease in cash & Cash equivalents	721.76	(57.59)

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
I. Cash and cash equivalents as per above comprise of the following:		
Cash on hand	4.91	2.21
Balances with scheduled banks:		
-On current accounts	34.89	125.94
-On deposit accounts (deposits having an original maturity of 3 months or less)	1,010.24	-
Cash and cash equivalent as per note	1,050.04	128.15

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 71 form an integral part of the financial statements.

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

As per our Audit report of even date attached.

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

Statement of Changes in equity

(1) Current reporting period:

Equity Share Capital

	(₹ 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 31 st March, 2023	1559.60	0.00	0.00	1020.00	2579.60

(2) Previous reporting period:

	(₹ in lakhs)				
	Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
For the year ended on 31 st March, 2022	1559.60	0	0.00	0.00	1559.60

Other equity

	Reserves and Surplus				Total
	Securities premium	General Reserve	Retained earnings	Capital issue expenses	
Balance at the beginning of the reporting period - 01/04/2021	280.00	79.75	89.40	-	449.15
Capital Issue Expenses	-	-	-	(24.43)	(24.43)
Profit for the year	-	-	402.42	-	402.42
Balance at the end of the reporting period - 31 st March, 2022	280.00	79.75	491.82	(24.43)	827.14
On issue of share capital	5,610.00	-	-	-	5,610.00
Capital Issue Expenses	-	-	-	(912.69)	(912.69)
Less:- Public Issue Expenses *	(937.12)	-	-	937.12	-
Profit for the year	-	-	305.64	-	305.64
Balance at the end of the reporting period - 31 st March, 2023	4,952.88	79.75	797.46	-	5,830.09

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

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RUNEL SAXENA
Company Secretary
M.No.28022

* 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.

Notes to the Financial Statements

1. Company Information

- a) Sah Polymers 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 E-260-261, Mewar Industrial Area, Madri, Udaipur-313003.
- b) The Company is primarily engaged in the manufacture of HDPE/PP woven fabrics and sacks with annual production capacity of 7920 MT. The manufacturing capacities are situated at and around Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

2. Significant Accounting Policies

Statement of Compliance

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

Basis of Preparation

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

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

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

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant and Equipment – Tangible Assets

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

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

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property,

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

Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

*Freehold land is not depreciated

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

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

No write off is made in respect of leasehold land.

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 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 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.

The estimated useful lives of intangible assets of the Company is: 5 years

Impairment of Assets

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

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

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

Inventories

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

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

Foreign Currency Transactions

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

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

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

Investment in Subsidiary

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

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition

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

Financial Assets

Recognition:

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

Classification:

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

Financial assets are classified as those measured at:

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

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments

may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment:

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

Reclassification:

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

De-recognition:

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

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

Income Recognition:

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

Financial Liabilities

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

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

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

Equity Instruments

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

Revenue

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

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

Government Grant

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

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

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

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

Employee Benefits

- i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- 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 Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

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

- 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.

Company as a Lessee

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

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

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

Company as a Lessor

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

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the

period, together with any adjustment to tax payable in respect of previous years.

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

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

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

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

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

Provisions

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

Financial and Management Information Systems

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

Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting

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

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

A. Judgements in applying accounting policies

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

B. Key sources of estimation uncertainty

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

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

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

2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the

Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

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

factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

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

NOTE 3 INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Owned Assets	
	Software	Total
Year ended March, 2023		
Opening Gross Carrying Amount	9.58	9.58
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	7.82	7.82
Depreciation charged during the year	1.24	1.24
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	9.06	9.06
Net Carrying Amount	0.52	0.52
Year ended March, 2022		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	9.58	9.58
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	6.05	6.05
Depreciation charged during the year	1.77	1.77
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	7.82	7.82
Net Carrying Amount	1.76	1.76

Note:

- (a) There are no immovable Properties whose title deeds are not in the name of the Company.
- (b) The Company has not revalued Property, Plant and Equipment.
- (c) The Company has not revalued its intangible assets.
- (d) The Company has capital work in progress.
- (e) There is no intangible assets under development.

(iii) Capital-Work-in Progress (CWIP)**(a) CWIP aging schedule as at 31st March, 2023**

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	92.97	-	-	-	92.97
Projects temporarily suspended	-	-	-	-	-

(b) CWIP aging schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	666.69	1.75	-	-	668.44
Projects temporarily suspended	-	-	-	-	-

Note 4

(₹ in lakhs)

INVESTMENTS-NON CURRENT	As at 31 st March, 2023	As at 31 st March, 2022
In Equity Instrument		
In subsidiary (carried at cost)		
Fibcrop Polyweave Private Limited		
33884 (pr.yr,33884) Equity shares of ₹ 100/- each		
fully paid purchased @ ₹ 1655/- per equity share	560.78	560.78
	560.78	560.78

Note 5

(₹ in lakhs)

OTHER NON-CURRENT LOAN	As at 31 st March, 2023	As at 31 st March, 2022
(a) Loan Receivables considered good-secured	-	-
(b) Loan Receivables considered good-unsecured	1.97	-
(c) Loan Receivables which have significant increase in credit risk	-	-
(d) Loan Receivables which have significant increase in credit risk	-	-
(e) Trade Receivables-credit impaired	-	-
	1.97	-
Less: Allowance for doubtful loans	-	-
	1.97	-

Note 6

(₹ in lakhs)

OTHER NON- CURRENT FINANCIAL ASSETS	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	125.38	59.52
	125.38	59.52

Note 7

(₹ in lakhs)

OTHER NON-CURRENT ASSETS	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	0.65	146.88
Advances other than capital advances:		
Security Deposit		
-With Statutory Authorities	0.92	0.92
Other advances	4.11	-
	5.68	147.80

Note 8

(₹ in lakhs)

INVENTORIES	As at 31st March, 2023	As at 31st March, 2022
At lower of cost and net realisable value		
Raw material	175.77	168.21
Work-in-progress	971.90	587.51
Finished Goods	457.68	207.02
Stores and Spares	146.97	86.13
Printing Ink	31.60	14.45
	1,783.92	1,063.32

Note 9

(₹ in lakhs)

TRADE RECEIVABLE	As at 31st March, 2023	As at 31st March, 2022
(a) Trade Receivables considered good-secured	-	-
(b) Trade Receivables considered good-unsecured	1,057.24	1,217.83
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables-Credit impaired	-	-
	1,057.24	1,217.83
Less: Allowance for doubtful receivables	-	-
	1,057.24	1,217.83

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 disclosed as mentioned in note 38.

Trade receivables ageing schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				More than 3 years	Total
	Less than 6	6 months-1 year	1-2 years	2-3 years		
(i) Undisputed Trade receivables – considered good	920.48	-	-	-	136.76	1,057.24
(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	920.48	-	-	-	136.76	1,057.24

Trade receivables ageing schedule as at 31st March, 2023

(₹ in lakhs)

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

Note 10

(₹ in lakhs)

CASH AND CASH EQUIVALENTS	As at 31st March, 2023	As at 31st March, 2022
(a) Balances with banks		
On Current Account	34.89	125.94
On Fixed Deposit with maturity less three months *	1,010.24	-
(b) Cash on hand		
Cash on Hand	3.23	2.21
Foreign Currency	1.68	-
	1,050.04	128.15

*includes accrued interest ₹ 10.24 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

(₹ in lakhs)

OTHER BANK BALANCES	As at 31st March, 2023	As at 31st March, 2022
Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet */**	1,089.99	59.22
	1,089.99	59.22

*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

(₹ in lakhs)

LOANS (CURRENT)	As at 31st March, 2023	As at 31st March, 2022
(a) Loan Receivables considered good- secured	-	-
(b) Loan Receivables considered good- unsecured	1,184.98	684.34
(c) Loan Receivables which have significant increase in credit risk	-	-
(d) Loan Receivables which have significant increase in credit risk	-	-
(e) Trade Receivables- credit impaired	-	-
	1,184.98	684.34
Less: Allowance for doubtful loans	-	-
	1,184.98	684.34

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 38.

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	Percentage to the total Loans & Advances in the nature of Loans
Promoters	0 (0)	0 (0)
Directors	0 (0)	0 (0)
KMP's	2.50 (0)	0.21 (0)
Related Parties	345 (0)	29.07 (0)
Total	347.50 (0)	29.28 (0)

*amount in bracket represents previous year's figures.

Note 13

(₹ in lakhs)

OTHER- CURRENT FINANCIAL ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Interest on deposits etc.	6.96	12.27
	6.96	12.27

Note 14

(₹ in lakhs)

CURRENT TAX ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Income tax Refund	-	1.79
	-	1.79

Note 15

(₹ in lakhs)

OTHER CURRENT ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Advances other than capital advances:		
Other advances:		
-balance with statutory authorities	334.33	112.55
-advance against expenses	11.90	5.54
-pre-paid expenses	20.18	10.52
Other receivables	41.96	27.06
	408.37	155.67

Note 16

(₹ in lakhs)

SHARE CAPITAL:	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
30000000 (pr.yr.30000000) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
(pr.yr. ₹ 10/-)	3,000.00	3,000.00
Issued, subscribed and fully paid		
25796000 (pr.yr. 15596000) Equity Shares of ₹ 10/- each fully paid up	2,579.60	1,559.60
	2,579.60	1,559.60

Reconciliation of number of shares:	As at 31st March, 2023	As at 31st March, 2022
Face value per share (₹)	10	10
Number of Equity Shares outstanding at the beginning of the reporting period	1,55,96,000	1,55,96,000
No. of Equity Shares issued during the year	1,02,00,000	-
	2,57,96,000	1,55,96,000
Less: Deduction during the year	-	-
Number of Equity Shares outstanding at the end of the reporting period	2,57,96,000	1,55,96,000

Name of the shareholders holding more than 5% shares in the company		As at 31st March, 2023		As at 31st March, 2022	
Name of shareholder	Class	No. of shares	%	No. of shares	%
Sat Industries Limited and nominees	Equity	14316000	55.50	14316000	91.79
Sat Invest Private Limited	Equity	1280000	4.96	1280000	8.21

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Sat Industries Limited including shares held by nominees.	14316000 (14316000)	55.50 (91.79)	36.29**
Total	14316000 (14316000)	55.50 (91.79)	36.29**

Figures in bracket represent previous year figures.

* 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, 2023.

**changed occurred due to initial public offer by the Company.

Shares held by holding Company		As at 31 st March, 2023		As at 31 st March, 2022	
Name of holding Company	Class	No. of shares	% Holding	No. of shares	% Holding
Sat Industries Limited and nominees	Equity	14316000	55.50	14316000	91.79

The Company has only one class of equity shares having face value of ₹ 10/- 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.

The Company has not allotted any bonus shares during the period of five years immediately preceding 31st March, 2023.

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

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

Note 17

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	280.00	280.00
Add: Addition during the year	5,610.00	-
Less:- Transferred from Capital Issue Expenses*	(937.12)	-
	4,952.88	280.00
2. GENERAL RESERVE		
As per the last year accounts	79.75	79.75
3. CAPITAL ISSUE EXPENSES		
As per the last year accounts	-	-
Addition during the year	(912.69)	(24.43)
Less: Transferred to securities premium	937.12	-
	24.43	(24.43)
4. RETAINED EARNINGS		
As per the last year accounts	491.82	89.40
Add: Balance of amalgamating company-Sat E-Com Limited	-	-
Add: Surplus for the year	305.64	402.42
	797.46	491.82
Total	5,830.09	827.14

* 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.

1. Share Premium

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

2. General Reserve

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

3. Retained Earnings

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

Note 18

(₹ in lakhs)

BORROWINGS-NON CURRENT:	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non-Current	Current	Non-Current
SECURED:				
(a) Term Loans:				
from banks:				
UCO Bank:				
I Term Loan- UCO Covid-19 Emergency credit line (UCECL)	-	-	3.59	-
II Term Loan- Additional working capital term loan under guarantee emergency credit loan	39.87	2.94	37.46	46.52
III Term Loan- Guaranteed Emergency Credit Line (GECL)	5.57	78.32	-	84.67
IV Term Loan-TL	200.00	733.33	-	-
V Term Loan-Car	4.88	12.38	-	-
VI HDFC Bank-Truck Loan	4.31	18.61	-	-
	254.63	845.58	41.05	131.19

- (I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 18 equal monthly instalments of ₹ 411750.00 each commencing from December, 2020 and the last instalment is repayable on 07th 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.
- (II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work -in progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments ₹ 354611.00 each commencing from 14th June, 2021 and the last instalment is repayable on 14th June, 2024 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.

- (III) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material, finished goods, work-in progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments ₹ 263376.35 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.
- (IV) 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.
- (V) Borrowings from UCO Bank is secured against Hypothecation of Vehicle No. RJ27UE0279. 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.
- (VI) Borrowings from HDFC bank is secured against Hypothecation of Vehicle No. RJ27GE0153. 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.
- (VII) There is no continuing default in the payment of interest.

Note 19**DEFERRED TAX LIABILITIES (NET)**

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a) Deferred tax liability		
Opening	145.48	142.67
Depreciation-Provision	85.14	2.81
Deferred tax assets	-	-
Leave encashment	0.11	-
Net amount charged to Statement of Profit and Loss	85.03	2.81
Deferred tax liabilities(net)	230.51	145.48
b) Mat Credit Entitlement	50.82	-
	179.69	145.48

Note 20

(₹ in lakhs)

BORROWINGS-CURRENT:	As at 31st March, 2023	As at 31st March, 2022
SECURED:		
Current maturity of long term borrowings *	254.63	41.05
(*for security refer to Note 18)		
Repayable on demand		
from banks:		
Cash Credit facilities from UCO Bank (a)	882.11	681.98
	1,136.74	723.03
UNSECURED:		
Repayable on demand		
From Bank		
Deutsche Bank (pcfc) (b)	-	158.52
ICICI Bank Ltd (c)	280.00	270.33
Deutsche Bank-OD (d)	0.99	94.70
Others		
Other than related parties (e)	-	713.15
From related party-holding company		
Sat Industries Limited	-	780.00
	280.99	2,016.70
	1,417.73	2,739.73

- (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.
- (b) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director Rate of interest as on 31st March, 2023 is LIBOR+350 bps.
- (c) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Company. Rate of interest as on 31st March, 2023 is 10.80% per annum.
- (d) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Company. Rate of interest as on 31st March, 2023 is 9.95% per annum.
- (e) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Company. Rate of interest as on 31st March, 2023 is 11.00% per annum.

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

Note 21

(₹ in lakhs)

TRADE PAYABLES	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	553.09	578.96
	553.09	578.96

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	2-3 years	More than 3 years	TOTAL
(i) Undisputed-Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	553.09	-	-	-	-	553.09
(iii) Disputed dues – Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	553.09	-	-	-	-	553.09

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	2-3 years	More than 3 years	TOTAL
(i) Undisputed -Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	577.76	0.12	0.40	0.68	-	578.96
(iii) Disputed dues – Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	577.76	0.12	0.40	0.68	-	578.96

Note 22

(₹ in lakhs)

OTHER CURRENT ASSETS	As at 31st March, 2023	As at 31st March, 2022
Interest on Loan	2.10	2.46
	2.10	2.46

Note 23

(₹ in lakhs)

OTHER CURRENT LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
Statutory Liabilities	54.30	44.36
Advance received from customers	31.73	24.19
Others	155.03	49.76
	241.06	118.31

Note 24

(₹ in lakhs)

PROVISIONS	As at 31st March, 2023	As at 31st March, 2022
Provisions for leave encashment	0.44	-
	0.44	-

Note 25

(₹ in lakhs)

CURRENT TAX LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
Current tax (net of advance tax) 22-23	53.74	-
Current tax (net of advance tax) 21-22	-	96.33
	53.74	96.33

Note 26

(₹ in lakhs)

REVENUE FROM OPERATIONS	As at 31st March, 2023	As at 31st March, 2022
(a) Manufactured Goods	6,166.61	5,921.61
(b) Traded Goods:	1,824.48	1,347.50
(c) Sale of services:		
I) Job work	71.53	119.35
II) Commission - DCA	62.29	76.27
	133.82	195.62
(d) Interest Income (Business)	110.43	108.02
	8,235.34	7,572.75

Note 27

(₹ in lakhs)

OTHER INCOME	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Rent	10.54	11.04
(b) Interest on financial assets on amortised cost	31.75	2.86
(c) Miscellaneous income	0.79	2.08
(d) Foreign Exchange Fluctuation	107.40	42.52
(e) Subsidy-RIPS	-	15.53
	150.48	74.03

Note 28

(₹ in lakhs)

COST OF MATERIAL CONSUMED	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock	168.21	202.92
Add: Purchases and adjustments	4,231.14	4,621.50
	4,399.35	4,824.42
Less: Closing Stock	175.77	168.21
	4,223.58	4,656.21

Note 29

(₹ in lakhs)

PURCHASES OF STOCK- IN TRADE	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Traded goods	1,819.35	1,232.15
	1,819.35	1,232.15

Note 30

(₹ in lakhs)

CHANGES IN INVENTORIES	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock:		
Finished Goods	207.02	105.59
Add:- Goods produced during trial run	12.73	-
	219.75	105.59
Work-in-progress	587.51	232.85
Add:- Goods produced during trial run	118.66	-
	706.17	925.92
232.85		338.44
Less: Closing Stock:		
Finished Goods	457.68	207.02
Work-in-progress	971.90	587.51
	1,429.58	794.53
	(503.66)	(456.09)

Note 31

(₹ in lakhs)

EMPLOYEE BENEFITS	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i) Salaries, wages and bonus	245.16	182.89
(ii) Contribution to provident and other funds	15.85	13.37
(iii) Gratuity	11.16	8.56
(vi) Staff welfare expenses	14.02	13.46
	286.19	218.28

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

Note 32

(₹ in lakhs)

FINANCE COSTS	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Interest on borrowings	175.60	115.93
(b) Foreign exchange fluctuation on credit facility	3.54	-
(c) Interest on Income tax	11.05	-
(d) Other borrowing costs - Processing Charges	0.75	2.15
	190.94	118.08

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

Note 33

(₹ in lakhs)

OTHER EXPENSES	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Advertise and publicity	8.19	4.57
Bag Printing Expenses	9.99	21.54
Bag Stitching Expenses	230.06	130.52
Bank Commission and charges	25.90	18.53
Books & Periodicals	0.36	0.20
Carriage Outward	32.11	39.89
Charity and Donations	-	0.95
Commission on sales	23.24	13.98
Consultancy	27.32	11.71
Corporate Social Responsibility expenditure	4.91	-
Consumption of stores and spare parts	72.20	23.46
Festival Expenses	2.61	2.41
Domain Name Registration	-	0.05
Early Payment incentive expenses	1.73	0.49

Economic Rent & Service Charges	0.86	0.86
Electric & Power	343.64	305.76
Export Freight, Insurance & other Expenses	601.57	412.27
Fabric Weaving Expenses	111.70	92.30
Fees & Taxes	1.92	0.22
Fuel & Lubricant	28.41	22.17
Godown Rent	6.39	7.59
Inspection Charges of bags	0.56	0.89
Insurance Charges	8.11	8.90
Transport Expenses	0.19	2.82
Job charges	67.34	-
Lease Rent	12.54	12.54
Legal & Professional Exp.	7.31	13.78
Miscellaneous Expenses	2.21	3.03
Material handling Charges	5.56	2.18
Packing Materials	24.25	9.60
Payment to Auditors:		
(i) as Audit Fee	0.23	0.23
(ii) for reimbursement of expenses	0.05	0.02
Postage & Telegram	5.21	2.07
Printing Ink	51.70	36.01
Rating Charges	1.03	0.40
Rebate, Claim & Discounts	5.06	8.89
Repairs & Maintenance (Others)	36.31	28.13
Sales Promotion Exp.	1.25	1.76
Software Expenses	3.31	2.06
Sorting and counting charges	29.10	19.15
Security Services	1.84	-
Stationery & Printing	4.32	3.99
Subscription & Membership	6.77	2.44
Telephone and Mobile	2.84	2.31
Travelling Expenses	23.26	1.64
Vehicle Running & Maintenance Expenses.	5.54	2.00
Warehouse Management charges	4.88	4.70
Water Expenses	2.39	1.87
	1,846.27	1,280.88

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

Note 34

(₹ in lakhs)

Additional Information	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
(i) Depreciation and Amortisation:		
(a) Depreciation expense	111.31	81.37
(b) Amortization expense	1.24	1.77
	112.55	83.14
(ii) Payment to Auditors.*		
(a) as Statutory Auditors	0.23	0.23
(b) Reimbursement of expenses	0.05	0.02
	0.28	0.25

* excludes ₹ 0.70 lakhs (Previous Year ₹ 2.30 lakhs) paid for certification, in the nature of initial public offer issues expenses accounted in Securities Premium Account.

Note 35

(₹ in lakhs)

Earnings per share	As on 31 st March, 2023	As on 31 st March 2022
Earning per share has been computed as under		
(a) Profit for the year	305.64	402.42
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	17887507	15596000
(c) Effect of potential Equity shares on conversion of outstanding share warrants	-	-
(d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)]	17887507	15596000
(e) Earnings per share on profit for the year (Face Value ₹ 10.00 per share)–		
- Basic (a/b)	1.71	2.58
- Diluted (a/d)	1.71	2.58

Note 36**Contingent liabilities and commitments:****(a) Contingent liabilities**

(₹ in lakhs)

Claims against excise duty and other matters	31 st March, 2023	31 st March, 2022
(i) Income tax Matters *	0.79	1.61
Total	0.79	1.61

*Net of deposit.

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

(b) Commitments

(₹ in lakhs)

Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	779.42
GUARANTEES	31st March, 2023	31st March, 2022
i) Guarantees issued by Uco Bank	700.00	500.00
ii) Guarantee given on behalf of subsidiary		
a) Guarantee given by the Company to Uco Bank against cash credit limit provided to Fibcorp Polyweave private Limited	300.00	-

Note 37

Financial Instruments and Related Disclosures:

1. Capital Management

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

The Company'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 Company 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 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.

During the year, to support the capital requirements, the Company 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 4th January, 2023 and the equity shares were traded and listed on two premier stock exchanges of India namely BSE and NSE with effect from 12th January, 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.

2. Categories of financial Instruments

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2023		As at 31 st March, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A Financial assets					
a) Measured at amortised cost					
i) Cash and cash equivalent	9	1,050.04	1,050.04	128.15	128.15
ii) Other Bank balance	10	1,089.99	1,089.99	59.22	59.22

iii) Trade receivables	8	1,057.24	1,057.24	1,217.83	1,217.83
iv) Other financial assets	6&13	132.34	132.34	59.52	59.52
Total Financial assets		3,329.61	3,329.61	1464.72	1464.72
B Financial Liabilities					
a) Measured at amortised cost					
i) Cash Credit facilities	18	882.11	882.11	681.98	681.98
ii) Term loans- Non current	16	845.58	845.58	131.19	131.19
iii) Trade payables	19	553.09	553.09	578.96	578.96
iv) Other financial liabilities	22	2.10	2.10	2.46	2.46
Total financial liabilities		2,282.88	2,282.88	1394.59	1394.59

3 FINANCIAL RISK MANAGEMENT

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

A. MANAGEMENT OF MARKET RISK:

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

(i) Management of interest rate risk:

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

(ii) Management of price risk:

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

(iii) Management of currency risk:

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

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

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

(₹ in lakhs)

Financial assets	Exposure currency	As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables	USD	419.10	543.70
	EURO	182.67	42.68
	GBP	75.51	30.94
Trade payable	USD	0	0
	EURO	0	0
		677.28	617.32

Sensitivity analysis

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

(₹ in lakhs)

	As at	Strengthening	Weakening
Profit/(Loss)	31 st March, 2022	30.86	30.86
	31 st March, 2023	33.86	33.86

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 foreign exchange transactions and financial instruments.

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

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

C. MANAGEMENT OF LIQUIDITY RISK:

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

The Company's Current assets aggregate to ₹ 6581.50 lakhs (2022- ₹ 3322.59 lakhs) including Cash and cash equivalents and Other bank balances of ₹ 2140.03 lakhs (2022- ₹ 187.37 lakhs) against an aggregate Current liability of ₹ 2268.16 lakhs (2022- ₹ 3535.79 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 845.58 lakhs (2022- ₹ 131.19) 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 ₹ 8409.69 lakhs (2022- ₹ 2386.74 lakhs), it has non-current borrowings of ₹ 845.58 lakhs (2022- ₹ 131.19). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement**Fair value hierarchy**

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

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

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

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

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

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

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

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

Particulars	Fair value hierarchy	As at	As at
		31 st March, 2023	31 st March, 2022
		Fair Value	Fair Value
A	Financial assets		
a)	Measured at amortised cost		
	i) Cash and cash equivalent	L2	1,050.04
	ii) Other Bank balance	L2	1,089.99
	iii) Trade receivables	L2	1,057.24
	iv) Other financial assets	L2	132.34
	Total Financial assets		3329.61
B	Financial Liabilities		
	Measured at amortised cost		
a)	i) Cash Credit facilities	L2	882.11
	ii) Term loans	L2	1100.21
	iii) Trade payables	L2	553.09
	iv) Other financial liabilities	L2	2.10
	Total financial liabilities		2537.51
			1435.64

Note 38

Disclosures in respect of related parties pursuant to Ind AS 24

- (i) Holding Company
01) Sat Industries Limited
- (ii) Subsidiary:
01) Fibcorp Polyweave Private Limited
- (iii) Fellow Subsidiary:
Italica Furniture Private Limited (since amalgamated with Sat Industries Limited)
- (iv) Key Managerial Personnel
01) Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director
02) Mr. Murtaza Ali Moti, Chief Executive Officer
03) Mr. Asad Daud, Director
04) Mr. Lalit Kumar Bolia, Chief Financial Officer
05) Mrs. Runel Saxena, Company Secretary
- (v) 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	Nature of relation	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022	Nature of transaction
Fibcorp Polyweave Private Limited	Subsidiary	1,274.42	387.64	Purchases
		6.40	2.36	Purchase Machine
		1,235.76	117.99	Sales
		84.00	10.64	Job work
		10.12	2.64	Lease rent
		345.00	-	Loan Given
		4.28	-	Interest received
		71.53	55.11	Job work receipt
Sat Industries Limited	Holding Company	400.00	1,093.93	Loan Taken
		1,180.00	313.93	Loan Repayment
		66.18	20.86	Interest Paid
		-	0.38	Export Incentive
		0.42	0.24	Rent Received
Remuneration	Key Management Personnel	53.00	36.70	Remuneration
Taha Charitable Trust	Director is trustee	4.25	0	CSR Expenditure

Closing balances

(₹ in lakhs)

Name	As at 31 st March, 2023	As at 31 st March, 2022
Sat Industries Limited	-	780.00**
Fibcorp Polyweave Private limited	441.22*	22.14*
Closing balances in the case of other parties is NIL		

*debit balance ** credit balance

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

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

Terms and conditions of transactions with related parties:

The sale to and purchases from related parties are made in the ordinary course of business and based on the price lists in force and terms that would be available to third parties.

The loans to and from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivables from related parties.

Note 39**EMPLOYEE BENEFITS****a) Defined Contribution Plan****Provident Fund:**

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

b) Defined Benefit Plan**Gratuity:**

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

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

Provident Fund:

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

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

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 14.31 lakhs (previous year ₹ 12.39 lakhs) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 11.16 lakhs (previous year ₹ 3.45 lakhs) has been included in Note 31 under Contribution to Provident and Other Funds.

Note 40**TAX RECONCILIATIONS**

(₹ in lakhs)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax:		
Current tax on profits for the year	19.93	108.90
Deferred tax (Net)	85.03	2.81
Total income tax expenses	104.96	111.71

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)

	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Profit before income tax	410.60	514.13
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expenses	114.23	143.03
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses		
Tax impact of income not subject to tax	-	-
Tax effects of amounts which are not deductible for taxable income	-	-
Tax impact due to 43B of the Income tax Act,1961	0.12	0.76
MAT credit adjustments	50.82	(30.54)
Others	(145.24)	(4.35)
	(94.30)	(34.13)
Total income tax expenses	19.93	108.90
Effective rate of tax (%)	4.85	21.18

Deferred Tax (Liabilities)

(₹ in lakhs)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Property Plant and Equipment	85.14	2.81
Others	(0.00)	-
Total deferred tax liabilities	85.14	2.81

Deferred Tax Assets

(₹ in lakhs)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Provisions		
Others	0.11	-
Total deferred tax Assets	0.11	-
Net Deferred tax (Liabilities)/Assets	85.03	2.81

Movement in Deferred tax Liabilities/Assets

(₹ in lakhs)

	Property, plant and equipment	Other deferred tax liability	Provisions	Other Deferred Tax Assets	Deferred Tax Liabilities/Asset (Net)
As at 31 st March, 2021	133.43	6.94	8.21	23.12	142.67
(Charged)/Credited to profit and Loss account	2.81	0.00	-	-	2.81
As at 31 st March, 2022	136.24	6.94	8.21	23.12	145.48
(Charged)/Credited to profit and Loss account	85.14	(0.00)	-	0.11	85.03
As at 31 st March, 2023	221.38	6.94	8.21	23.23	230.51

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.

(₹ in lakhs)

Tax Credits carried forward	As at 31 st March, 2023	Expiry date	As at 31 st March, 2022	Expiry date
2022-23	50.82	31 st March, 2038	0.00	

Note 41

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.

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

Note 42**SEGMENT INFORMATION**

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Sacks etc., Consignment Stockist and financing Activities.

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

Primary:

(₹ in lakhs)

Particular	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Segment Revenue		
Manufacturing	6,238.14	6,145.96
Trading	1,886.77	1,318.77
Finance	110.43	108.02
Total	8,235.34	7,572.75
Other Income	150.48	74.03
Total Revenue	8,385.82	7,646.78
Segment results		
Manufacturing	133.64	296.47
Trading	67.42	86.62
Finance	59.06	57.01
Total Segment Results	260.12	440.10
Other Income	150.48	74.03

Profit before tax	410.60	514.13
Provision for tax	104.96	111.71
Profit after tax	305.64	402.42
Segment Assets		
Manufacturing	10,509.21	5,502.59
Trading	-	-
Finance	1,193.91	696.61
Total	11,703.12	6,199.20
Segment Liabilities		
Manufacturing	2,856.30	3,204.23
Trading	155.03	49.76
Finance	282.10	558.47
Total	3,293.43	3,812.46
Capital employed	8,409.69	2,386.74
Capital Expenditure		
Manufacturing	3,007.32	98.72
Trading	-	-
Finance & Investment	-	-
Total	3,007.32	98.72
Depreciation and amortization		
Manufacturing	112.55	83.14
Trading	-	-
Finance & Investment	-	-
Total	112.55	83.14

Secondary:

(₹ in lakhs)

GEOGRAPHICAL INFORMATION	31st March, 2023	31st March, 2022
Non Current Assets		
-Within India	5,121.62	2,876.61
- Outside India	-	-
Revenue from external customers		
-Within India	3,436.79	4,098.43
- Outside India	4,554.30	3,170.68

Note 43

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

Note 44

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on 31st March, 2023 are subject to confirmation and reconciliation.

Note 45

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 46

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 47

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

Note 48

These financial statements were approved for issue with a resolution of the Board of Directors on 18th May, 2023.

Note 49

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 50

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

Note 51

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 52

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

Note 53

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

Note 54

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 55

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

Note 56

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 57**Ratios**

Particulars	Numerator/ Denominator	As at 31st March 2023	As at 31st March 2022	Explanation for any change in ratio by more than 25% as compared to previous year.
(a) Current ratio	Current assets/ Current Liabilities	2.90	0.94	Due to increase in current assets.
(b) Debt equity ratio	Total Debt/ Shareholder's Equity	0.17	0.07	Increase in shareholders' equity due to initial public offer of equity shares.
(c) Debt Service Coverage Ratio	Earning available for debt service/ Debt Service	3.01	5.67	Low margin and increase in debts
(d) Return on Equity Ratio	Net profit after taxes/Average Shareholder's equity	0.06	0.18	Low margin and increase in shareholders' equity following initial public issue.
(e) Inventory turnover ratio	Sales/Average Inventory	5.61	8.89	Increase in inventory due to operation of new production capacity at the fag end of the year
(f) Trade Receivables turnover ratio	Net credit sales/ Average accounts Receivable	7.24	6.92	Better collection system and reduction in credit period
(g) Trade payables turnover ratio	Net Credit purchase/ Average Trade Payables	7.48	10.05	Due to cash liquidity, purchases were made on cash basis.
(h) Net capital turnover ratio	Net Sales/ Working capital	1.91	-35.48	Increase in current assets.
(i) Net profit ratio	Net profit/Net sales	0.04	0.05	Decrease in margin due to higher input cost.
(j) Return on Capital employed	Earning before interest and taxes /Capital Employed	0.06	0.23	Due to initial public offer of equity shares.
(k) Return on investment	Income generated from investment/ Time weighted average investment	0	0	Not calculated as no investment was made for the purpose of earning returns. Investment was made for acquisition of business in the subsidiary company.

Note 58

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

Note 59

Utilisation of Borrowed funds and share premium:

- (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(is), 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 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 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 Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Note 62

Expenditure incurred on corporate social responsibility activities:

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities- ₹ 4.91 (2022- ₹ NIL lakhs)

(₹ in lakhs)

	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	4.91	-
(2) Amount spent during the year on:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
Health	0.66	
Education	4.25	
	4.91	-

Out of (1) above, ₹ 4.25 lakhs (Previous Year ₹ NIL) contributed to Taha Charitable Trust which is related party and ₹ 0.66 lakhs were contributed to Asha Dham (charitable institution).

Note 63

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 64

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, etc.

Note 65

The Company has assets (equipment etc.) with a lease term of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases. The Company also has certain leases of assets of low value. The Company applies 'low values lease' recognition exemption for these leases.

Note 66

The Company has neither long-term contracts nor derivatives as at 31st March, 2023.

Note 67

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

Note 68

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

Note 69

Disclosures pursuant to section 186 (4) of the Companies Act, 2013.

- (i) For guarantee refer to note 35. Guarantee has been utilised by the recipient for business.
- (ii) No security has been provided.
- (iii) 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
Fibcorp Polyweave Private Limited	345	Repayable on demand	12% per annum	Business

Note 70

The Board of Directors of the Company has recommended Final Dividend of ₹ 0.50 per Equity Share for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022- NIL equity share) to be paid on fully paid Equity Shares amounting to ₹ 128.98 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.

Note 71

Events after the Reporting Period.

The Board of Directors have recommended dividend of ₹ 0.50 per fully paid up equity share of ₹ 10/- each for the financial year 2022-23.

As per our Audit report of even date attached.

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

Independent Auditor's Report

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Sah Polymers Limited** (hereinafter referred to as the "Holding Company") and its subsidiary Company – **Fibcorp Polyweave Private Limited** (Holding Company and its subsidiary 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.

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 the subsidiary, whose financial statements reflect total assets of ₹ 1513.14 lakhs (after consolidated adjustments) as at 31st March, 2023 total revenues of ₹ 2657.00 lakhs (after consolidated adjustments) and net cash inflows (after consolidated adjustments) amounting to ₹ 65.17 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.

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 and the Consolidated Statement of Changes in Equity 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure-B**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - (iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary 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 Holding Company and its subsidiary company ("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 company 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 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our attention or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

- (v) During the year the Holding Company and its subsidiary company have neither paid or declared any dividend requiring compliance with Section 123 of the Act.

For H R JAIN & CO.,

Chartered Accountants

Firm's Registration No. 000262C

Manoj Jain

Partner

Place of signature: Udaipur

Membership No.: 400459

Date: 18th May, 2023

ICAI UDIN: 23400459BGUJZX8157

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)

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 H R JAIN & CO.,

Chartered Accountants

Firm's Registration No. 000262C

Manoj Jain

Partner

Place of signature: Udaipur

Membership No.: 400459

Date: 18th May, 2023

ICAI UDIN: 23400459BGUJZX8157

Annexure - B to the Independent Auditor's Report

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

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")

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 **Sah Polymers Limited** (hereinafter referred to as "the Parent") and its subsidiary company– **Fibcorp Polyweave Private Limited**, 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.

For H R JAIN & CO.,
Chartered Accountants
Firm's Registration No. 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: 18th May, 2023
ICAI UDIN: 23400459BGUJZX8157

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, its subsidiary companies and its associate company, 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.

BALANCE SHEET

For The year Ended 31st March, 2023

(₹ in lakhs)

Particulars	Note	As at		As at	
		31 st March, 2023		31 st March, 2022	
ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	3		4,426.38		1,557.70
(b) Capital work -in- Progress	3		92.97		668.44
(c) Investment Property					
(d) Goodwill			307.81		307.81
(e) Other Intangible Assets	3		0.52		1.76
(f) Intangible assets under development					
(g) Biological Assets other than bearer plants					
(h) Financial Assets					
(i) Investments			-		-
(ii) Trade receivables					
(iii) Loans	4		1.97		-
(iv) Others	5		133.04	135.01	66.88
(i) Deferred tax assets (net)					
(j) Other non-current assets	6		5.68		147.82
(2) Current assets					
(a) Inventories	7		2,551.36		1,559.34
(b) Financial Assets					
(i) Investments					
(ii) Trade receivables	8		1,614.37		1,385.58
(iii) Cash and cash equivalents	9		1,061.34		189.78
(iv) Bank balances other than (iii) above	10		1,089.99		59.22
(v) Loans	11		840.73		685.22
(vi) Others	12		6.96	4,613.39	12.27
(c) Current Tax Assets (Net)	13		-		3.41
(d) Other current assets	14		482.73		221.50
Total Assets			12,615.85		6,866.73
EQUITY					
(a) Equity Share Capital	15		2,579.60		1,559.60
(b) Other Equity			-		-
Equity attributable to the owner of the parent	16		5,883.88		845.05
Non- controlling Interest			294.70	8,758.18	260.16
LIABILITIES					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	17		845.58		145.23
(ia) Lease liabilities					
(ii) Trade payables					
(iii) Other financial liabilities(other than those specified in item (b))			845.58		145.23
(b) Provisions					
(c) Deferred tax liabilities (Net)	18		168.18		143.13
(d) Other non-current liabilities					
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings	19		1,659.21		2,898.58
(ia) Lease liabilities					
(ii) Trade payables:	20				
(A) Total outstanding dues of micro enterprises and smallb enterprises					
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			813.07		785.40
(iii) Other financial liabilities(other than those specified in item(c)	21		2.10	2,474.38	2.46
(b) Other current liabilities	22		287.45		130.79
(c) Provisions	23		14.81		-
(d) Current Tax Liabilities (Net)	24		67.27		96.33
Total Equity and Liabilities			12,615.85		6,866.73
See accompanying notes to the financial statements	1 to 71				

As per our Audit report of even date attached.

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March, 2023

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022
I Revenue from operations	25	9,539.92	8,051.14
II Other income	26	181.70	72.31
III Total Income (I+II)		9,721.62	8,123.45
IV Expenses:			
Cost of Materials consumed	27	5,691.50	4,731.56
Purchases of Stock-in-Trade	28	630.73	1,232.15
Changes in inventories of finished goods work-in-progress and Stock -in-Trade	29	(587.28)	(331.24)
Employee benefits expense	30	443.68	315.32
Finance costs	31	222.06	123.50
Depreciation and amortization expense	3	140.33	100.65
Other expenses	32	2,668.20	1,402.26
Total expenses		9,209.22	7,574.20
V Profit/(loss) before share of profit/(loss) of an associate/a joint venture and exceptional items (IV-V)		512.40	549.25
VI Share of Profit / (loss) of an associate		-	-
VII Profit/(loss) before exceptional items and tax (V+VI)		512.40	549.25
VIII Exceptional items		-	-
IX Profit/(loss) before tax (VII+VIII)		512.40	549.25
X Tax expense:			
(1) Current tax		106.35	108.90
Less: MAT Credit		50.82	
		55.53	
(2) Prior period income tax		0.36	
(3) Deferred tax		80.45	2.81
XI Profit/(loss) for the period from continuing operation (XI-XII)		376.06	437.54
XII Profit/(Loss) from discontinued operations.			
XIII Tax expense of discontinued operations			
XIV Profit/(loss) from discontinued operation (after tax) (XII-XIII)			
XV Profit/(loss) for the period (XV+XVI)		-	437.54
Attributable to			
(a) Owners of the company		341.52	420.33
(b) Non-controlling interest		34.54	17.21
XVI Other Comprehensive Income			
A(i) item that will not be reclassified to profit or loss			
Equity Instruments through Other Comprehensive income			
(ii) Income tax relating to item that will not be reclassified to profit or loss			
iii) Exchange difference on translation of Financial statement of Foreign operation			
B(i) item that will not be reclassified to profit or loss			
(ii) Income tax relating to item that will not be reclassified to profit or loss			
XVII Total Comprehensive Income for the period (XV+XVI) (Comprising profit (loss) and other Comprehensive Income for the period)		-	437.54
Attributable to			
(a) Owners of the parent		341.52	420.33
(b) Non-controlling interests		34.54	17.21
Of the total comprehensive income above,			
Profit for the year attributable to:			
Owners of the parent		341.52	420.33
Non-controlling interests		34.54	17.21
Of the total comprehensive income above,			
Other comprehensive income attributable to:			
Owners of the parent		-	-
Non-controlling interests		-	-
XVIII Earnings per equity share:(for continued Operation):			
(1) Basic	33	2.10	2.81
(2) Diluted	33	2.10	2.81
XIX Earnings per equity share:(for discontinued Operation):			
(1) Basic			
(2) Diluted			
XX Earnings per equity share:(for discontinued & continuing operations)			
(1) Basic	33	2.10	2.81
(2) Diluted	33	2.10	2.81

See accompanying notes to the financial statements 1 to 71

As per our Audit report of even date attached.

For and on behalf of

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholtime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholtime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.: 28022

CASH FLOW STATEMENT

For The Year Ended 31st March, 2023

(₹.in lakhs)

Sr. No	Particulars	For the year ended 31 st March, 2023	For theyear ended 31 st March, 2022
A	Cash Flow from Operating Activities		
	Net Profit before tax	512.40	549.25
	Adjustments for:		
	Depreciation	140.33	100.65
	Interest Paid	203.21	121.35
	Interest received	(31.75)	(2.86)
	Unrealised Foreign exchange fluctuation on conversion	(24.31)	(8.06)
	Balances written off	(3.20)	(0.90)
	(Profit)/Loss on sale of property, plant and equipment	-	(0.09)
	provisions for gratuity	14.81	-
	Operating Profit before working capital changes	811.49	759.34
	Adjustment for Changes in Working Capital:		
	Decrease/(Increase) in Trade Receivables	(201.28)	(71.19)
	Increase/(decrease) in other current liabilities	156.66	(64.10)
	Increase in financial liabilities	(0.36)	-
	Increase in Loan	(157.48)	(7.49)
	Other bank Balances	(1,030.77)	(8.60)
	Increase/(Decrease) in Trade Payables	27.67	(64.50)
	Increase in other non current assets	142.14	(131.90)
	Non Current Financial assets	(66.16)	(9.97)
	Current Financial assets	5.31	
	Increase in other current assets	(261.23)	(8.10)
	Increase in tax assets	3.41	(0.05)
	Decrease/(Increase) in Stock	(992.02)	(442.43)
	Cash Generated from Operations	(1,562.62)	(48.99)
	Income Taxes Refund/(Paid)	135.77	30.23
	Net Cash Inflow/(Out Flow) from Operation (A)	(1,698.39)	(79.22)
B	Cash Flow from Investing Activities:		
	Sale of fixed assets	3.69	2.45
	Purchase of fixed assets	(3,011.46)	(110.18)
	Capital work-in-progress	575.47	(666.69)
	Acquisition of subsidiary	-	(307.81)
	Interest received	31.75	2.86
	Net Cash Inflow/(Outflow) from investing Activities (B)	(2,400.55)	(1,079.37)
C	Cash flow from Financing Activities		
	Repayment of borrowings	(1,845.71)	(138.30)
	Increase in borrowing	892.25	1,395.20
	Share capital	1,020.00	-
	Securities premium	5,610.00	-
	Capital issue expenses	(912.69)	(24.43)
	Interest Paid	(203.21)	(121.35)
	Net Cash Inflow /(Out Flow) from Financing Activities (C)	4,560.64	1,111.12
	Net Increase/Decrease in cash & Cash equivalents (A+B+C)	461.70	(47.47)
	CASH AND CASH EQUIVALENTS		
	As at the beginning of the year (Refer Note 9)	189.78	253.69
	Less: Cash Credit	713.73	737.75
	As at the end of the year (Refer Note 9)	1,061.34	189.78
	Less: Cash Credit	1,123.59	721.31
	Net Increase/Decrease in cash & Cash equivalents	461.70	(47.47)

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
I. Cash and cash equivalents as per above comprise of the following:	3.89	3.44
Cash on hand (₹)	1.68	0
Cash on hand in foreign currency		
Balances with scheduled banks:	45.53	186.34
-On current accounts	1,010.24	0
-On deposit accounts (deposits having an original maturity of 3 months or less)	1,061.34	189.78
Cash and cash equivalent as per note		

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 71 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

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

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
1,559.60	-	-	1,020.00	2579.60

(2) Previous reporting period:

(₹ in lakhs)				
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	Balance at the end of the current reporting period
1,559.60	-	-	-	1559.60

B. Other Equity

	Statutory Reserve	Equity component of compound financial instrument	Reserves & Surplus				Debt Instruments through other comprehensive income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow hedges	Revaluation Surplus	Exchange difference on translating financial difference on foreign operation	Other items of other comprehensive income (specify nature)	Money received against share warrants	Attributable to owners of the parent	non-controlling interest
			Capital Subsidy	Capital Reserve	Securities premium	General Reserve									
Balance at the end of the reporting period-31 st March, 2021	-	-	79.75	280.00	-	-	89.40	-	-	-	-	-	-	4,49.15	242.95
Profit for the year	-	-	-	-	-	-	420.33	-	-	-	-	-	-	395.90	17.21
Capital issue expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiary Merge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Equity Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acc depreciation adjusted for useful life of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period-31 st March, 2022	-	-	79.75	280.00	-	-	509.73	(24.43)	-	-	-	-	-	8,45.05	260.16
Profit for the year	-	-	-	-	-	-	341.52	-	-	-	-	-	-	341.52	34.54
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Capital issue expenses	-	-	-	-	-	(912.69)	-	-	-	(912.69)
Less: Capital issue expenses	-	-	-	-	(937.12)	937.12	-	-	-	-
On Consolidation of Subsidiary	-	-	-	-	-	-	-	-	-	-
Transfer to/from	-	-	-	-	-	-	-	-	-	-
Amount received against share warrants	-	-	-	-	-	-	-	-	-	-
On issue of Equity Share Capital	-	-	-	-	5,610.00	-	-	-	-	5,610.00
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-
Acc depreciation adjusted for useful life of assets	-	-	-	-	-	-	-	-	-	-
Sales of Subsidiary	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period-31 st March, 2023	-	79.75	4,952.88	-	851.25	-	-	-	-	5,883.88
										294.70

As per our Audit report of even date attached.

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholesale Director
DIN: 00119156

MURTAZA ALI MOTI
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Manoj Jain
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M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

Notes to the Consolidated Financial Statements

Note 1 Company Information

Sah Polymers Limited (SPL)- parent - is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The Registered Office of the SPL is situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003.

SPL is engaged in the manufacture of HDPE/PP woven fabrics and sacks. The manufacturing capacities are situated at Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

Note 2 Significant Accounting Policies

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.

Subsidiary is entity controlled by the Group.

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 subsidiary 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.

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.

Assets in the course of construction are capitalised in the assets under capital work in progress

account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

- Freehold 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:

- a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant;
- b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

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

The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 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.

The estimated useful lives of intangible assets of the Company is: 5 years

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.

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 nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Post-Employment Benefits Defined Contribution Plans

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

Defined Benefit Plans Gratuity Fund

The 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.

iv) Other Long Term Employee Benefits

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

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

Leases

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

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.

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.

NOTE 3 Property, Plant and Equipment

Particulars	Owned Assets											Total
	Lease Assets	Land	Building	Land Freehold	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipment	DG Sets	Tube well	Computer	
Year ended March, 2023												
GROSS CARRYING AMOUNT												
Opening Gross Carrying Amount	29.57	438.04	115.96	1,752.98	331.8	26.35	29.70	57.28	1.16	22.51	2,506.73	
Additions	-	1,322.54	-	1,565.37	33.69	47.58	24.34	0.96	5.33	11.65	3,011.46	
On acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	
Disposals/Adjustment	-	-	-	9.80	-	-	7.50	-	-	-	17.30	
Closing Gross Carrying Amount	29.57	1,760.58	115.96	3,308.55	66.87	73.93	46.54	58.24	6.49	34.16	5,500.89	
ACCUMULATED DEPRECIATION												
Opening Accumulated Depreciation	-	163.21	-	686.53	14.52	22.31	17.71	29.45	0.49	14.81	949.03	
Depreciation charged during the year	-	22.94	-	91.88	5.35	4.14	5.69	2.52	0.07	6.50	139.09	
Disposals/Adjustments	-	-	-	7.44	-	-	6.17	-	-	-	13.61	
Closing Accumulated Depreciation	-	186.15	-	770.97	19.87	26.45	17.23	31.97	0.56	21.31	1,074.51	
Net Carrying Amount	29.57	1,574.43	115.96	2,537.58	47.00	47.48	29.31	26.27	5.93	12.85	4,426.38	
Year ended March, 2022												
GROSS CARRYING AMOUNT												
Opening Gross Carrying Amount	29.57	412.07	115.45	1,583.68	14.94	22.06	22.26	57.28	1.16	13.24	2,271.71	
Additions	-	19.70	0.51	80.34	0.92	0.87	0.59	-	-	4.93	107.86	
On acquisition of subsidiary	-	6.27	-	88.96	17.32	3.42	7.45	-	-	4.34	127.76	
Disposals/Adjustment	-	-	-	-	-	-	0.60	-	-	-	0.60	
Closing Gross Carrying Amount	29.57	438.04	115.96	1,752.98	33.18	26.35	29.70	57.28	1.16	22.51	2,506.73	
ACCUMULATED DEPRECIATION												
Opening Accumulated Depreciation	-	148.90	-	616.62	11.36	21.52	13.17	26.94	0.45	11.79	850.75	
Depreciation charged during the year	-	14.31	-	69.91	3.16	0.79	5.14	2.51	0.04	3.02	98.88	
Disposals/Adjustments	-	-	-	-	-	-	0.60	-	-	-	0.60	
Closing Accumulated Depreciation	-	163.21	-	686.53	14.52	22.31	17.71	29.45	0.49	14.81	949.03	
Net Carrying Amount	29.57	274.83	115.96	1,066.45	18.66	4.04	11.99	27.83	0.67	7.70	1,557.70	
Capital work-in progress as at 31st March, 2023*												92.97
Capital work-in progress as at 31st March, 2022*												668.44

*Includes amount incurred on project development capitalised.

NOTE 3 INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Owned Assets	
	Software	Total
Year ended March, 2023		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	9.58	9.58
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	7.82	7.82
Depreciation charged during the year	1.24	1.24
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	9.06	9.06
Net Carrying Amount	0.52	0.52
Year ended March, 2022		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	9.58	9.58
Additions	-	-
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	9.58	9.58
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	6.05	6.05
Depreciation charged during the year	1.77	1.77
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	7.82	7.82
Net Carrying Amount	1.76	1.76

Note:

- (a) There are no immovable Properties whose title deeds are not in the name of the Company.
(b) The Company has not revalued Property, Plant and Equipment.
(c) The Company has not revalued its intangible assets.
(d) Capital-Work-in Progress (CWIP).

CWIP aging schedule as at 31st March, 2023

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	92.97	-	-	-	92.97
Projects temporarily suspended	-	-	-	-	-

CWIP aging schedule as at 31st March, 2022

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	666.69	1.75	-	-	668.44
Projects temporarily suspended	-	-	-	-	-

(e) There is no intangible assets under development.

Note 4

(₹ in lakhs)

FINANCIAL LOAN NON -CURRENT	As at 31 st March, 2023	As at 31 st March, 2022
(Unsecured, Considered good)		
(a) Loan Receivables considered good- secured	-	-
(b) Loan Receivables considered good- unsecured	1.97	-
(c) Loan Receivables which have significant increase in credit risk	-	-
(d) Trade Receivables- credit impaired	-	-
	1.97	-
Less: Allowance for doubtful loans	-	-
	1.97	-

Note 5

(₹ in lakhs)

OTHER NON-CURRENT FINANCIAL ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Security Deposits	133.04	66.88
	133.04	66.88

Note 6

(₹ in lakhs)

OTHER NON-CURRENT ASSETS	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	0.65	146.90
Advances other than capital advances:		
Security Deposit		
-With Statutory Authorities	0.92	0.92
-Other	4.11	-
	5.68	147.82

Note 7

(₹ in lakhs)

INVENTORIES	As at 31st March, 2023	As at 31st March, 2022
At lower of cost and net realisable value		
Raw material	759.42	570.72
Work-in -progress	1,039.40	587.51
Finished Goods	557.95	291.17
Stores and Spares	162.99	95.49
Printing Ink	31.60	14.45
	2,551.36	1,559.34

Note 8

(₹ in lakhs)

TRADE RECEIVABLE	As at 31st March, 2023	As at 31st March, 2022
(a) Trade Receivables considered good- secured		
(b) Trade Receivables considered good- unsecured	1,614.37	1,385.58
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables -Credit impaired	-	-
	1,614.37	1,385.58
Less: Allowance for doubtful receivables	-	-
	1,614.37	1,385.58

Note 8.1: 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 37.

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	1,411.59	66.02	-	-	136.76	1,614.37
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
Total	1,411.59	66.02	-	-	136.76	1,614.37

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	1,245.76	0.51	0.17	30.51	108.63	1,385.58
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
Total	1,245.76	0.51	0.17	30.51	108.63	1,385.58

Note 9

(₹ in lakhs)

CASH AND CASH EQUIVALENTS	As at 31st March, 2023	As at 31st March, 2022
(a) Balances with banks	-	-
i) On Current Account	45.53	186.34
ii) Cheques on hand	-	-
iii) On Fixed Deposit with maturity less three months *	1,010.24	-
	1,055.77	186.34
b) Cash on hand (INR)	3.89	3.44
c) Cash on hand in foreign Currency	1.68	-
	1,061.34	189.78

*includes accrued interest ₹ 10.24 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 10

(₹ in lakhs)

OTHER BANK BALANCES	As at 31st March, 2023	As at 31st March, 2022
Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet */**	1,089.99	59.22
	1,089.99	59.22

*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 11

(₹ in lakhs)

LOANS (CURRENT)	As at 31st March, 2023	As at 31st March, 2022
(a) Loan Receivables considered good- secured	-	-
(b) Loan Receivables considered good- unsecured	840.73	685.22
(c) Loan Receivables which have significant increase in credit risk	-	-
(d) Trade Receivables- credit impaired	-	-
	840.73	685.22
Less: Allowance for doubtful loans	-	-
	840.73	685.22

Note 11.1: 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 37.

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	Percentage to the total Loans & Advances in the nature of Loans
Promoters	0 (0)	0 (0)
Directors	0 (0)	0 (0)
KMP's	2.50 (0)	0.21 (0)
Related Parties	0 (0)	0 (0)
Total	2.50 (0)	0.21 (0)

*amount in bracket represents previous year 's figures.

Note 12

(₹ in lakhs)

OTHER- CURRENT FINANCIAL ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
-Interest accrued on loan, deposit etc.	6.96	12.27
	6.96	12.27

Note 13

(₹ in lakhs)

CURRENT TAX ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Income tax Refund	-	3.41
	-	3.41

Note 14

(₹ in lakhs)

OTHER CURRENT ASSETS	As at 31 st March, 2023	As at 31 st March, 2022
Advances other than capital advances:		
Other advances:		
-advance against expenses	21.50	12.63
- GST receivable	387.72	116.34
-pre-paid expenses	-	11.88
-Other receivables	42.46	49.60
-MEIS Receivable	31.05	31.05
	482.73	221.50

Note 15

(₹ in lakhs)

SHARE CAPITAL:	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	3,000.00
	3,000.00	3,000.00
Issued, subscribed and fully paid		
25796000(pr yr 15596000) Equity Shares of ₹ 10/- each	2,579.60	1,559.60
fully paid up		
	2,579.60	1,559.60

(₹ in lakhs)

Reconciliation of number of shares:	As at 31st March, 2023	As at 31st March, 2022
Face value per share (₹)	10	10
Number of Equity Shares outstanding at the beginning of the reporting period	1,55,96,000	1,55,96,000
No. of Equity Shares issued during the year	1,02,00,000	-
	2,57,96,000	1,55,96,000
Less: Deduction during the year	-	-
Number of Equity Shares outstanding at the end of the reporting period	2,57,96,000	1,55,96,000

(₹ in lakhs)

Name of the shareholders holding more than 5% shares in the company		As at 31st March, 2023		As at 31st March, 2022	
Name of shareholder	Class	No. of shares	%	No. of shares	%
Sat Industries Limited and nominees	Equity	14316000	55.50	14316000	91.79
Sat Invest Private Limited	Equity	1280000	4.96	1280000	8.21

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Sat Industries Limited including shares held by nominees.	14316000 (14316000)	55.50 (91.79)	36.29**
Total	14316000 (14316000)	55.50 (91.79)	36.29**

Figures in bracket represent previous year figures.

* 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, 2023.

**changed occurred due to initial public offer by the Company.

(₹ in lakhs)

Shares held by holding Company		As at 31 st March, 2023		As at 31 st March, 2022	
Name of holding Company	Class	No. of shares	% Holding	No. of shares	% Holding
Sat Industries Limited and nominees	Equity	14316000	55.50	14316000	91.79

The Parent has only one class of equity shares having face value of ₹ 10/- 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 Parent. 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 Parent, the holders of equity shares will be entitled to receive the remaining assets of the Parent 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 Parent.

The Parent Company has not allotted any shares pursuant to contract without payment being received in cash. There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

Note 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	280.00	280.00
Add: Addition during the year	5,610.00	-
Less:- Transferred from Capital Issue Expenses*	(937.12)	-
	4,952.88	280.00
2. GENERAL RESERVE		
As per the last year accounts	79.75	79.75
3. CAPITAL ISSUE EXPENSES		
As per the last year accounts	(24.43)	-
Addition during the year	(912.69)	(24.43)
Less: Transferred to securities premium	937.12	-
	-	(24.43)
4. RETAINED EARNINGS		
As per the last year accounts	509.73	89.40
Add: Surplus for the year	341.52	420.33
	851.25	509.73
Equity attributable to the owners of the parent	5,883.88	845.05
Non-controlling interest	294.70	260.16
TOTAL	6,178.58	1,105.21

* 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.

1. Share Premium:

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

2. General Reserve:

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

3. Retained Earnings:

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

Note 17

(₹ in lakhs)

BORROWINGS-NON CURRENT:	As at 31 st March, 2023		As at 31 st March, 2022	
	Current	Non-Current	Current	Non-Current
SECURED:				
(a) Term Loans:				
from banks:				
UCO Bank:				
I Term Loan-UCO Covid-19 Emergency credit line (UCECL)		-	3.59	-
II Term Loan-Additional working capital term loan under guarantee emergency credit loan	39.87	2.94	37.46	46.52
III Term Loan- Guaranteed Emergency Credit Line(GECL)	5.57	78.32	-	84.67
IV Indusind Bank-FCTL(EPC)	-	-	10.44	-
V 'Indusind Bank-ELCGS	-	-	11.24	14.04
VI Term Loan	200.00	733.33	-	-
VII Term Loan-Vehicle Loan	4.88	12.38	-	-
VIII Term Loan-HDFC Bank	4.31	18.61	-	-
	254.63	845.58	62.73	145.23

- (I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent 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, 2020 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 Parent Company.
- (II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent 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 ₹ 354611.00

each commencing from 14th June, 2021 and the last instalment is repayable on 14th June, 2024 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 Parent Company.

- (III) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent 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 ₹ 263376.35 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 Parent Company.
- (IV) Borrowings from Indusind Bank is secured against first charge over all present and future, current assets and movable fixed assets of the Subsidiary 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, 2023 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)
- (V) Borrowings from Indusind Bank is secured against second charge over all present and future, current assets and movable fixed assets of the subsidiary 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, 2021 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.
- (VI) 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.
- (VII) Borrowings from UCO Bank is secured against Hypothecation of Vehicle No. RJ27UE0279. 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.
- (VII) Borrowings from HDFC bank is secured against Hypothecation of Vehicle No. RJ27GE0153. 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.

There is no continuing default in the payment of interest.

Note 18

(₹ in lakhs)

DEFERRED TAX LIABILITIES (NET)	As at 31st March, 2023	As at 31st March, 2022
a) Deferred tax liability	143.13	142.67
Add: Opening Balance of Subsidiary		(2.35)
Depreciation-Provision	78.29	2.81
Deferred tax assets	-	-
Leave encashment & gratuity (provisions) etc.	0.11	-
Net amount charged to Statement of Profit and Loss	78.18	2.81
Deferred tax liabilities(net)	221.31	143.13
b) MAT Credit Entitlement	53.13	-
	168.18	143.13

Note 19

(₹ in lakhs)

BORROWINGS -CURRENT:	As at 31 st March, 2023	As at 31 st March, 2022
SECURED:		
Current maturity of Long term debt@	254.63	62.73
@for security etc. refer Note 17		
Repayable on demand		
from banks:		
Cash Credit facilities from UCO Bank (a)	1,123.59	681.98
Cash Credit a/c with indusind Bank (b)	-	31.75
	1,123.59	713.73
UNSECURED:		
Repayable on demand		
From Bank		
Deutsche Bank (pcfc) (c)	-	158.52
ICICI Bank Ltd (d)	280.00	270.33
Deutsche Bank -OD (e)	0.99	94.70
Indusind Bank -FCTL(EPC) (f)	-	105.42
Others		
Other than related parties (g)	-	713.15
From related party- Holding company	-	780.00
Sat Industries Limited		
	280.99	2,122.12
	1,659.21	2,898.58

(a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent 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. of the Parent Company. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Parent Company. Rate of interest as on 31st March, 2023 is 11.20% per annum.

(ai) 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 the subsidiary Company situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003.

(c) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the parent company. Rate of interest as on 31st March, 2023 is LIBOR+350 bps.

(d) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Parent Company. Rate of interest as on 31st March, 2023 is 10.80% per annum.

- (e) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Parent Company. Rate of interest as on 31st March, 2023 is 9.95% per annum.
- (f) Borrowings from Indusind Bank is secured against stock of raw material, WIP & finished goods held for export by the Subsidiary Company situated at G-1 202-203, IID center RIICO, kaladwas, Udaipur-313003.
- (g) Guaranteed by Mr. Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the Parent Company. Rate of interest as on 31st March, 2023 is 12.00% per annum.

There is no continuing default in the payment of interest.

Note 20

(₹ in lakhs)

TRADE PAYABLES	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	813.07	785.40
	813.07	785.40

Trade payables ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed-Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	812.02	-	-	-	-	812.02
(iii) Disputed dues – Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	0.40	0.65	-	-	-	1.05
Total	812.42	0.65	-	-	-	813.07

Trade payables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed -Micro & small enterprises	-	-	-	-	-	-
(ii) Undisputed Others	782.85	1.45	0.40	0.68	-	785.38
(iii) Disputed dues – Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.02	-	0.02
Total	782.85	1.45	0.40	0.70	-	785.40

Note 21

(₹ in lakhs)

OTHER- CURRENT FINANCIAL LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
Interest on loan	2.10	2.46
	2.10	2.46

Note 22

(₹ in lakhs)

OTHER CURENT LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
Statutory Liabilities	57.98	46.69
Advance received from customers	74.38	32.87
Others	155.09	51.23
	287.45	130.79

Note 23

(₹ in lakhs)

PROVISIONS	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits	14.81	-
	14.81	-

Note 24

(₹ in lakhs)

CURRENT TAX LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
Current tax (net of advance tax)	67.27	96.33
	67.27	96.33

Note 25

(₹ in lakhs)

REVENUE FROM OPERATIONS	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Manufactured Goods	8,706.79	6,469.86
(b) Traded Goods:	635.86	1,242.50
(c) Sale of Services		
I) Job work	28.82	64.25
II) Commission-DCA	62.29	76.27
III) Market Research Services	-	90.24
	91.11	230.76
(d) Interest income (Business)	106.16	108.02
	9,539.92	8,051.14

Note 26

(₹ in lakhs)

OTHER INCOME	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Rent	0.42	0.48
(b) Interest on financial assets on amortised cost	31.75	2.86
(c) Miscellaneous income	1.11	3.07
(d) Foreign Exchange Fluctuation	148.42	50.33
(e) Interest on Income tax Refund	-	0.04
(f) Subsidy-RIPS	-	15.53
	181.70	72.31

Note 27

(₹ in lakhs)

COST OF MATERIAL CONSUMED	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock	570.72	202.92
Add: Opening of Subsidy on consolidation	-	322.32
Purchases	5,880.20	4,777.04
	6,450.92	5,302.28
Less: Closing Stock	759.42	570.72
	5,691.50	4,731.56

Note 28

(₹ in lakhs)

PURCHASES OF STOCK -IN TRADE	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Traded goods	630.73	1,232.15
	630.73	1,232.15

Note 29

(₹ in lakhs)

CHANGES IN INVENTORIES	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock:		
Finished Goods	291.17	105.59
Add: Opening of Subsidy on consolidation	-	209.00
Add: Goods produced during trial run	12.73	-
	303.90	314.59
Work-in-progress	587.51	232.85
Add: Goods produced during trial run	118.66	-
	706.17	1,010.07
Less: Closing Stock:		
Finished Goods	557.95	291.17
Work-in-progress	1,039.40	587.51
	1,597.35	878.68
	(587.28)	(331.24)

Note 30

(₹ in lakhs)

EMPLOYEE BENEFITS *	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i) Salaries, wages and bonus	358.02	267.73
(ii) Contribution to provident and other funds	20.63	15.87
(iii) Gratuity	24.40	8.56
(vi) Staff welfare expenses	40.63	23.16
	443.68	315.32

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

Note 31

(₹ in lakhs)

FINANCE COSTS*	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(I) Interest expenses		
(a) Interest on borrowings	203.21	121.35
(b) Interest on delayed payment of taxes	13.46	-
(c) Foreign exchange Fluctuation of PCFC	3.54	-
(II) Other borrowing costs - Processing Charges	1.85	2.15
	222.06	123.50

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

Note 32

(₹ in lakhs)

FINANCE COSTS*	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Advertise and publicity	8.19	4.57
Bag Printing Expenses	15.35	22.97
Bag Stitching Expenses	146.06	121.70
Bank Commission and charges	29.02	18.68
Books & Periodicals	0.36	0.20
Carriage Outward	32.11	39.89
Other manufacturing Exp.	308.25	30.67
Charity and Donations	-	0.95
Material Handling Charges	5.56	2.18
Packing Materials	49.83	12.91
Payment to Auditors:		
(i) as Audit Fee	0.48	0.38
(ii) for reimbursement of expenses	0.05	0.03
Postage & Telegram	8.71	3.02

Printing Ink	51.70	36.01
Rating Charges	1.03	0.40
Rebate, Claim & Discounts	6.64	9.58
Repairs & Maintenance (Others)	44.42	28.13
Sales Promotion Exp.	1.25	3.96
Software Expenses	3.45	2.11
Sorting and counting charges	29.10	19.15
Stationery & Printing	6.17	4.14
Subscription & Membership	7.13	2.55
Telephone and Mobile	3.49	2.66
Travelling Expenses	23.37	1.64
Vehicle Running & Maintenance Expenses.	6.80	2.00
Warehouse Management charges	4.88	4.70
Water Expenses	2.39	1.87
	2,668.20	1,402.26

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

Note 33

(₹ in lakhs)

Additional Information	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
(i) Depreciation and Amortisation:		
(a) Depreciation expense	139.09	98.88
(b) Amortization expense	1.24	1.77
	140.33	100.65
(ii) Payment to Auditors*		
(a) as Statutory Auditor	0.48	0.38
(b) Reimbursement of expenses	0.05	0.03
	0.53	0.41

*excludes ₹ 0.70 lakhs (Previous Year ₹ 2.30 lakhs) paid for certification, in the nature of initial public offer issues expenses accounted in Securities Premium Account.

Note 34

(₹ in lakhs)

Earnings per share	2022-2023	2021-2022
Earning per share has been computed as under		
(a) Profit for the year	376.06	437.54
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	17887507	15596000
(c) Effect of potential Equity shares on conversion of outstanding share warrants	0	0

(d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)]	17887507	15596000
(e) Earnings per share on profit for the year (Face Value ₹ 10.00 per share) –		
-Basic (a/b)	2.10	2.81
-Diluted (a/d)	2.10	2.81

Note 35**Contingent liabilities and commitments:****(a) Contingent liabilities**

(₹ in lakhs)

Claims against excise duty and other matters	31 st March, 2023	31 st March, 2022
(i) Income tax Matters*	0.79	1.61
Total	0.79	1.61

*Net of deposit.

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

(b) Commitments**Estimated amount of contracts remaining to be executed on capital accounts and not provided for**

(₹ in lakhs)

GUARANTEES	31 st March, 2023	31 st March, 2022
i) Guarantees issued by Uco Bank	700.00	500.00
ii) Guarantee given on behalf of subsidiary		
a) Guarantee given by the Company to Uco Bank against cash credit limit provided to Fibcorp Polyweave private Limited	300.00	-

Note 36**Financial Instruments and Related Disclosures:****1. Capital Management**

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, the Parent 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 4th January, 2023 and the equity shares were traded and listed on two premier stock exchanges of India namely BSE and NSE with effect from 12th January, 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.

2. Categories of financial Instruments

(₹ in lakhs)

Particulars	Note	As at 31 st March, 2023		As at 31 st March, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A Financial assets					
a) Measured at amortised cost					
i) Cash and cash equivalent	9	1,061.34	1,061.34	189.78	189.78
ii) Other Bank balance	10	1,089.99	1,089.99	59.22	59.22
iii) Loan	4&11	842.70	842.70	685.22	685.22
v) Trade receivables	8	1,614.37	1,614.37	1,385.58	1,385.58
vi) Other financial assets	5&12	140.00	140.00	79.15	79.15
Total Financial assets		4748.40	4748.40	2398.95	2398.95
B Financial Liabilities					
a) Measured at amortised cost					
i) Cash Credit facilities	19	1,123.59	1,123.59	713.73	713.73
ii) Term loans	17	1,100.21	1,100.21	207.96	207.96
iii) Other loans	19	280.99	280.99	2,122.12	2,122.12
iii) Trade payables	20	813.07	813.07	785.40	785.40
Total financial liabilities		3,317.86	3,317.86	3,829.21	3,829.21

3. FINANCIAL RISK MANAGEMENT

The activities of the Group exposes it to a number of financial risks namely market risk, credit risk and liquidity 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.

A. MANAGEMENT OF MARKET RISK:

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

(i) Management of interest rate risk:

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

(ii) Management of price risk:

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

(iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade receivables 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 Group has exposure only in USD/EURO converted to functional currency i.e.₹)

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

(₹ in lakhs)

Financial assets	Exposure currency	As at 31 st March, 2023	Exposure currency	As at 31 st March, 2022
Trade receivables	USD	543.19	USD	635.88
	EURO	544.19	EURO	34.12
	GBP	75.51	GBP	30.94
Trade payable	USD	0.03	USD	-
	GBP	42.17	GBP	-
		1,120.69		700.94

Sensitivity analysis

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

(₹ in lakhs)

	As at	Strengthening	Weakening
Profit/(Loss)	31 st March, 2022	56.03	56.03
Profit/(Loss)	31 st March, 2023	35.05	35.05

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counter party 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 foreign exchange transactions and financial instruments.

Credit risk from trade receivables 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 historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single

class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

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

The Group's Current assets aggregate to ₹ 7647.48 (pr yr ₹ 4116.32) lakhs including Cash and cash equivalents and Other bank balances of ₹ 2151.33 (pr.yr ₹ 249.00) lakhs against an aggregate Current liability of ₹ 2843.91 (pr yr ₹ 3913.56) lakhs; Non-current liabilities due between one year to three years amounting to ₹ 845.58 (pr yr ₹ 145.23) lakhs and Non-current liability due after three years amounting to NIL on the reporting date. Further, while the Group's total equity stands at ₹ 8758.18 (Pr yr ₹ 2664.81) lakhs, it has non-current borrowings of ₹ 845.58 (pr yr ₹ 145.23) 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.

D. Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

Particulars	Fair value hierarchy	As at	As at
		31 st March, 2023	31 st March, 2022
		Fair Value	Fair Value
A Financial Assets			
a) Measured at amortised cost			
i) Cash and cash equivalent	L2	1,061.34	189.78
ii) Other Bank balance	L2	1,089.99	59.22
iii) Loan	L2	842.70	685.22
v) Trade receivables	L2	1,614.37	1,385.58
vi) Other financial assets	L2	140.00	79.15
Total Financial assets		4748.40	2398.95
b) Financial Liabilities			
Measured at amortised cost			
a) i) Cash Credit facilities	L2	1123.59	713.73
ii) Term loans	L2	1100.21	207.96
iii) Other loans	L2	280.99	2122.12
iv) Trade payables	L2	813.07	785.40
Total Financial liabilities		3317.86	3829.21

Note 37

Disclosures in respect of related parties pursuant to Ind AS 24

- (i) Ultimate Holding Company:
 - 01) Sat Industries Limited
- (ii) Fellow Subsidiary:
 - Italica Furniture Private Limited (since amalgamated with Sat Industries Limited)
- (iii) Key Managerial Personnel:
 - 01) Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director
 - 02) Mr. Murtaza Ali Moti, Wholetime Director
 - 03) Mr. Asad Daud, Director
 - 04) Mr. Lalit Kumar Bolia, Chief Financial Officer
 - 05) Mrs. Runel Saxena, 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	Nature of relation	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022	Nature of transaction
Sat Industries Limited	Holding Company	400	1,093.93	Loan Taken
		1180	313.93	Loan Repayment
		66.18	20.86	Interest Paid
		0	0.38	Export Incentive
		0.42	0.48	Rent Received
Taha Charitable Trust	Director is trustee	4.25	-	CSR Expenditure
Remuneration	Key Management Personnel	53.00	36.70	Remuneration

Closing balances

(₹ in lakhs)

Name	As at 31 st March, 2023	As at 31 st March, 2022
Sat Industries Limited	-	780.00 *
Closing balances in the case of other parties is NIL	-	-

*credit balance

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

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

Terms and conditions of transactions with related parties:

The sale to and purchases from related parties are made in the ordinary course of business and based on the price lists in force and terms that would be available to third parties.

The loans to and from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivables from related parties.

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 (pr yr ₹ 14.98 lakhs has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 24.40 (pr yr ₹ 8.56) lakhs has been included in Note 30 under Contribution to Provident and Other Funds.

Note 39

TAX RECONCILIATIONS

(₹ in lakhs)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax:		
Current tax on profits for the year	55.89	108.90
Deferred tax (Net)	80.45	2.81
Total income tax expenses	136.34	111.71

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)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Profit before income tax	512.40	549.25
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expenses	142.55	152.80
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses		
Tax impact of income not subject to tax	-	-
Tax effects of amounts which are not deductible for taxable income	-	-
Tax impact due to 43B of the Income tax Act, 1961	-	0.76

MAT credit adjustments	(50.82)	-
Others	(36.20)	(44.66)
	(87.02)	(43.90)
Total income tax expenses	55.53	108.90
Effective rate of tax (%)	10.84	19.83

Deferred Tax (Liabilities)

(₹ in lakhs)

	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Property Plant and Equipment	78.29	2.81
Others	-	-
Total deferred tax liabilities	78.29	2.81

Deferred Tax Assets

(₹ in lakhs)

Name	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Provisions		
Others	0.11	-
Total deferred tax Assets	0.11	-
Net Deferred tax (Liabilities)/Assets	80.45	2.81

Movement in Deferred tax Liabilities/Assets

(₹ in lakhs)

	Property, plant and equipment	Other deferred tax liability	Provisions	Other Deferred Tax Assets	Deferred Tax Liabilities/Asset (Net)
As at 31 st March, 2021	133.43	6.94	8.21	23.12	142.67
(Charged)/Credited to profit and Loss account	2.81	-	-	2.35	0.46
As at 31 st March, 2022	136.24	6.94	8.21	25.47	143.13
(Charged)/Credited to profit and Loss account	78.29	-	-	0.11	78.18
As at 31 st March, 2023	214.53	6.94	8.21	25.58	221.31

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.

(₹ in lakhs)

Tax Credits carried forward	As at 31 st March, 2023	Expiry date	As at 31 st March, 2022	Expiry date
2022-23	50.13	31.03.2038	0.00	

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.

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

Note 41**SEGMENT INFORMATION**

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Sacks etc., Consignment Stockist and financing Activities.

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

Primary:

(₹ in lakhs)

Particular	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
Segment Revenue		
Manufacturing	8,735.61	6,624.35
Trading	698.15	1,318.77

Finance	106.16	108.02
Total	9,539.92	8,051.14
Other Income	181.70	72.31
Total Revenue	9,721.62	8,123.45
Segment results		
Manufacturing	204.22	333.31
Trading	67.42	86.62
Finance	59.06	57.01
Total Segment Results	330.70	476.94
Other Income	181.70	72.31
Profit before tax	512.40	549.25
Provision for tax	136.34	111.71
Profit after tax	376.06	437.54
Segment Assets		
Manufacturing	11,773.15	6,181.51
Trading	-	-
Finance & Investment	842.70	685.22
Total	12,615.85	6,866.73
Segment Liabilities		
Manufacturing	3,422.58	3,593.69
Trading	155.09	49.76
Finance & Investment	280.00	558.47
Total	3,857.67	4,201.92
Capital employed	8,758.18	2,664.81
Capital Expenditure		
Manufacturing	3,011.46	235.62
Trading	-	-
Finance & Investment	-	-
Total	-	-
Depreciation and amortization		
Manufacturing	140.33	100.65
Trading	-	-
Finance & Investment	-	-
Total	140.33	100.65

Secondary:

(₹ in lakhs)

GEOGRAPHICAL INFORMATION	31st March, 2023	31st March, 2022
Non Current Assets		
-Within India	4,968.37	2,750.41
-Outside India	-	-
Revenue from external customers		
-Within India	2,876.50	3,272.97
-Outside India	6,466.15	4,439.39

Note 42

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

Note 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 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 46

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

Note 47

The financial statements were authorised for issue by the Board of Directors on 18th May, 2023.

Note 48

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 49

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

Note 50

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

Note 51

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 Group with banks or financial institutions are in agreement with the books of accounts.

Note 52

The Parent and Subsidiary are not declared willful defaulters by any bank or financial institution or other lender.

Note 53

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 54

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

Note 55

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 56

The Board of Directors of parent has recommended Final Dividend of ₹ 0.50 per Equity Share for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022- NIL equity share) to be paid on fully paid Equity Shares amounting to ₹ 128.98 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.

Note 57

Events after the Reporting Period

The Board of Directors parent has recommended dividend of ₹ 0.50 per fully paid up equity share of ₹ 10/- each for the financial year 2022-23.

Note 58

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

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

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

Note 63

Expenditure incurred on corporate social responsibility activities:

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities - ₹ 4.91 (2022 - ₹ NIL lakhs)

(₹ in lakhs)

	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	4.91	-
(2) Amount spent during the year on:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
Health	0.66	
Education	4.25	
	4.91	-

Out of (1) above, ₹ 4.25 lakhs (Previous Year ₹ NIL) contributed to Taha Charitable Trust which is related party and ₹ 0.66 lakhs were contributed to Asha Dham (charitable institution)

Note 64

The Group 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 Group is not a CIC and no entities have been identified as CIC in the Group, of which Parent and subsidiary is a part.

Note 65

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, etc.

Note 66

The Group has assets (equipment etc.) with a lease term of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases. The Group also has certain leases of assets of low value. The Company applies 'low values lease' recognition exemption for these leases.

Note 67

The Group has neither long-term contracts nor derivatives as at 31st March, 2023.

Note 68

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

Note 69

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

Note 70

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
Subsidiary:			
Fibcorp Polyweave Private Limited	India	51.01	51.01

Note 71

Additional information, as required under schedule III to the Companies Act, 2013, of enterprises controlled as subsidiary (after elimination) for the year ended 31st March, 2023.

Name of the enterprises	Net assets (i.e. total assets minus total liabilities)		Share in profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ In lakhs)	As % of consolidated profit or loss	Amount (₹ In lakhs)	As % of consolidated Other comprehensive income	Amount (₹ In lakhs)	As % of consolidated total Comprehensive income	Amount (₹ In lakhs)
Parent								
Sah Polymers Limited	88.01	11102.71	87.28	447.23	-	-	87.28	447.23
Subsidiary								
Indian								
Fibcorp Polyweave Private Limited	11.99	1513.14	12.72	65.17	-	-	12.72	65.17
Total	100.00	12615.85	100	512.40	-	-	100.00	512.40

For and on behalf of

For and on behalf of the Board

H.R. JAIN & CO.,
Chartered Accountants
FRN: 000262C

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN: 07876224

ASAD DAUD
Director
DIN: 02491539

Manoj Jain
Proprietor
M.No.: 400459
Udaipur, 18th May, 2023

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022



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