




# SAB INDUSTRIES LIMITED


## Amalgamated Balance Sheet as at 31st March, 2021


Particulars	Note No.	As on	As On
		31.03.2021	31.03.2020
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	1 (a)	221262673	215898543
(b) Capital Work In Progress	1 (b)	37305093	33570167
(c) Financial Assets			
- Investments	1 (c)	1103834409	600349195
- Loans		103924227	140500000
(d) Other Non-Current Assets		102909	102909
(e) Deferred tax assets (net)		(158385045)	(18002156)
<b>Total Non-current assets</b>		<b>1308044266</b>	<b>972418658</b>
<b>(2) Current assets</b>			
(a) Inventories	2 (a)	540927652	438880102
(b) Financial Assets			
- Trade receivables	2 (b)		0
- Cash and cash Equivalents	2 (c)	152490706	46964083
(c) Loans	2 (d)	79923691	80724895
(d) Other current assets	2 (e)	15715219	26375682
<b>Total Current assets</b>		<b>789057268</b>	<b>592944762</b>
<b>TOTAL ASSETS</b>		<b>2097101534</b>	<b>1565363420</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share Capital	3 (a)	152100780	152100780
(b) Other Equity	3 (b)	1266478847	936824857
<b>Total Equity</b>		<b>1418579627</b>	<b>1088925637</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	4 (a)	368956734	202467854
(b) Provisions	4 (b)	9248765	12126615
(c) Other non current liabilities	4 (c)	59195310	55231400
<b>Total Non-Current Liabilities</b>		<b>437400809</b>	<b>269825869</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	5 (a)		74666240
- Trade payables	5 (b)	9539167	10437607
(b) Other Financial liabilities	5 (c)	231581931	116308067
(c) Provisions	5 (d)		5200000
<b>Total Current Liabilities</b>		<b>241121098</b>	<b>206611914</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2097101534</b>	<b>1565363420</b>
Significant Accounting Policies Notes on Financial Statement		0	0

See accompanying notes forming part of the 1-13

For SAB Industries Limited

  
 Bhagwan Singh Negi  
 C.F.O,  
 PAN ADBPN6651L

  
 Gurpreet Kaur  
 C.S.  
 PAN:AMCPK7926R

  
 Sanjay Garg  
 Director  
 DIN: 00030956

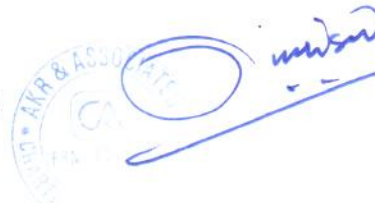
**AUDITORS' REPORT**

Certified in terms of our separate report of even date annexed  
 For AKR & Associates  
 Chartered Accountants  
 (Registration No.021179N)

Place : Chandigarh  
 Dated : 11-12-2021

  
 (Kailash Kumar)  
 Partner

Membership No.505972



## SAB INDUSTRIES LTD

**AMALGAMATED PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31st MARCH 2021**

Particulars	Note No.	As on 31.03.2021	As On 31.03.2020
I. Revenue from operations	6	12433634	99765621
II. Other Income	7	30033126	66268179
<b>III. Total Revenue (I +II)</b>		<b>42466760</b>	<b>166033800</b>
<b>IV. EXPENSES :</b>			
Cost of materials consumed	8	309273	7298251
Purchase of Stock-in-Trade		0	0
Changes in inventories of finished goods, work in-progress and Stock-in-Trade	9	0	12850000
Employee benefit expense	10	15885530	28087151
Financial costs	11	41869648	12976573
Depreciation and amortization expense	1 (a)	3679885	3633011
Other expenses	12	14181753	68909375
<b>Total Expenses</b>		<b>75926089</b>	<b>133754361</b>
<b>V. Profit /Loss (-) before tax</b>		<b>(33459329)</b>	<b>32279439</b>
VI. Tax expense:			
(1) Current tax		130524	5200000
(2) Deferred tax Liability / (Assets)	1 (c)	273932	(1106661)
<b>VII. Profit for the year</b>		<b>(33863785)</b>	<b>28186100</b>
<b>VIII. OTHER COMPREHENSIVE INCOME</b>			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans (Income)		141518	174097
- Gain/(Loss) on Fair Valuation of Equity Instruments carried at at Fair Value through Profit & Loss		503485215	(688058014)
(ii) Income tax relating to items that will not be reclassified to profit or loss asset/(liability)		0	0
		(140108957)	191369306
		<b>363517776</b>	<b>(496514611)</b>
<b>IX. Total comprehensive Income for the year (VII+VIII)</b>		<b>329653991</b>	<b>(468328511)</b>
<b>EARNING PER SHARE-BASIC AND DILUTED (Face Value of Rs.10/- per share)</b>		(2.23)	1.85
Significant Accounting Policies Notes on Financial Statements		13	

For SAB Industries Limited

*B.S.N.*  
Bhagwan Singh Negi  
C.F.O,  
PAN ADBPN6651L

*G.K.*  
Gurpreet Kaur  
C.S.  
PAN:AMCPK7926R

*S.G.*  
Sanjay Garg  
Director  
DIN: 00030956

**AUDITORS' REPORT**

Certified in terms of our separate report of even date annexed



For AKR & Associates  
Chartered Accountants  
(Registration No.021179N)

*K.K.*  
(Kailash Kumar)  
Partner  
Membership No.505972

Place : Chandigarh


Dated : 11-12-2021


## SAB INDUSTRIES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2021

	<u>31.03.2021</u>	<u>31.03.2020</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
<b>NET PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS</b>	<b>(33,589,853)</b>	<b>33,737,684</b>
ADJUSTMENT FOR :		
PROFIT ON SALE OF FIXED ASSETS	(5,713,531)	(33,697,685)
LOSS ON SALE OF FIXED ASSETS	0	29,275,757
DEPRECIATION	3,679,885	3,633,011
DIVIDEND RECEIVED	0	(5,296,748)
INTEREST & OTHER FINANCIAL CHARGES	41,869,648	12,976,573
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES</b>	<b>6,246,149</b>	<b>40,628,592</b>
ADJUSTMENT FOR TRADE AND OTHER RECEIVABLES	48,037,440	56,133,422
INVENTORIES	(102,047,550)	(55,987,267)
TRADE PAYABLES	10,708,198	<u>31,419,048</u>
CASH GENERATED FROM OPERATIONS	(37,055,763)	72,193,795
INTEREST AND OTHER FINANCIAL EXPENSES PAID	41,869,648	12,976,573
DIRECT TAXES PAID/ADJUSTED	0	<u>5,200,000</u>
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	(78,925,411)	54,017,222
OTHER ADJUSTMENTS	141,518	174,097
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(78,783,893)</b>	<b>54,191,319</b>
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS/CAPITAL WORK IN PROGRESS	(13,734,926)	(58,280,015)
SALE OF FIXED ASSETS	6,669,517	55,170,004
DIVIDEND RECEIVED	0	5,296,748
DEFERRED REVENUE EXPENDITURE	-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(7,065,409)</b>	<b>2,186,737</b>
C. CASH FLOW FROM FINANCING ACTIVITIES		
REPAYMENT OF LONG TERM BORROWINGS	(2,104,667)	9,034,362
REPAYMENT OF SHORT TERM BORROWINGS	0	0
LOAN GIVEN	0	128,000,000
REPAYMENT OF SHORT TERM BORROWINGS	(74,666,240)	0
PROCEEDS FROM LONG TERM BORROWINGS	268,146,833	51,212,942
<b>NET CASH RECEIVED FROM FINANCING ACTIVITIES</b>	<b>191,375,926</b>	<b>(96,079,021)</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	105,526,624	(29,443,364)
CASH AND CASH EQUIVALENTS AS AT 01.04.2020/01.04.2019 (OPENING BALANCE)	46,964,083	76,407,448
<b>CASH AND CASH EQUIVALENTS AS AT 31.03.21/31.03.2020 (CLOSING BALANCE)</b>	<b>152,490,706</b>	<b>46,964,083</b>

For SAB Industries Limited

  
BHAGWAN SINGH NEGI  
C.F.O.  
PAN ADBPN6651L


  
Gurpreet Kaur  
C.S.  
PAN:AMCPK7926R

  
Sanjay Garg  
Director  
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AUDITORS' REPORT

Certified in terms of our separate report of even date annexed

For AKR & Associates  
Chartered Accountants  
(Registration No.021179N)

  
(Kailash Kumar)  
Partner  
Membership No.505972

Place : Chandigarh

Dated : 11-12-2021



CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st March, 2021

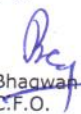
PARTICULARS	Amount				Total
	Capital Reserve	General Reserve	Security Premium Reserve	Retained earnings	
<b>A. Equity share capital</b>					
(a) Balance at 01 April, 2019					151,883,720
(b) Changes in equity share capital during the year					217,060
(c) Balance at 31 March, 2020					152,100,780
(d) Changes in equity share capital during the year					-
(e) Balance at 31 March, 2021					152,100,780
<b>B. Other equity</b>					
(a) Balance at 01 April, 2019	41,999,490	289,965,621	68,125,075	922,449,213	1,322,539,399
(i) Profit / (Loss) for the year	82,613,970	-	-	29,644,345	112,258,315
(ii) Intra Head Transfers	-	-	-	-	-
(iii) Dividend Paid	-	-	-	-	-
(iv) Dividend Distribution Tax	-	-	-	-	-
(v) Other comprehensive income for the year, net of income tax	-	-	-	(497,972,857)	(497,972,857)
<b>(b) Total comprehensive income for the year ended 31 March, 2020</b>	<b>124,613,460</b>	<b>289,965,621</b>	<b>68,125,075</b>	<b>454,120,701</b>	<b>936,824,857</b>
(vi) Profit / (Loss) for the year	-	-	-	-	-
(vii) Intra Head Transfers	-	-	-	-	-
(viii) Dividend Paid	-	-	-	-	-
(ix) Dividend Distribution Tax	-	-	-	-	-
(x) Other comprehensive income for the year, net of income tax	-	-	-	329,653,991	329,653,991
<b>(c) Total comprehensive income for the year ended 31 March, 2021</b>	<b>124,613,460</b>	<b>289,965,621</b>	<b>68,125,075</b>	<b>783,774,692</b>	<b>1,266,478,847</b>

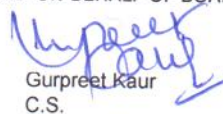
See accompanying notes forming part of the financial statements

1-13

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF SAB INDUSTRIES LTD

In terms of our report attached.

  
Bhagwan Singh Negi  
C.F.O.  
PAN : ADBPN6651L

  
Gurpreet Kaur  
C.S.  
PAN:AMCPK7926R

  
Sanjay Garg  
Director  
DIN:00030956

**FOR AKR & ASSOCIATES**  
Chartered Accountants  
ICAI FRN: 021179N

  
**CA. KAILASH KUMAR**  
Partner  
ICAI MRN: 505972





Date: 11-12-2021

Place: Chandigarh

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE '1 (a)'

Property, plant and equipment

Particulars	Land	Plant & Machinery	Furniture, Fixture & Equipments	Vehicles	Agriculture Equipment	Total
<b>Gross Block</b>						
<b>As at 01 April, 2019</b>	176614468	113800382	20281250	31417196	6920202	349033498
Additions	56,866,800	145600	216250	1051365	0	58280015
Additions under	-	0	0	0	0	0
Disposals	35,628,927	17132185	0	0	0	52761112
Other adjustments*	-	0	0	0	0	0
<b>As at 31 March, 2020</b>	197852341	96813797	20497500	32468561	6920202	354552401
Additions	10000000	0	0	0	0	10000000
Additions on acquisition of	0	0	0	0	0	0
Disposals	876708	0	39375	3015213	0	3931296
Disposals on sale of	0	0	0	0	0	0
Assets held for sale (refer note 5(xv))	0	0	0	0	0	0
Other adjustments*	0	0	0	0	0	0
<b>As at 31 March, 2021</b>	206975633	96813797	20458125	29453348	6920202	360621105
<b>Depreciation</b>						
<b>At 01 April, 2019</b>	0	90474272	17061640	27574583	4618643	139729138
Charge for the year	0	1590037	592175	650122	800676	3633010
Additions under	0	0	0	0	0	0
Disposals	0	4708290	0	0	0	4708290
Other adjustments*	0	0	0	0	0	0
<b>As at 31 March, 2020</b>	0	87356019	17653815	28224705	5419320	138653858
Charge for the year	0	1582789	695088	601332	800674	3679885
Additions on acquisition	0	0	0	0	0	0
Disposals	0	0	37406	2937904	0	2975310
Disposals on sale of	0	0	0	0	0	0
Exchange translation	0	0	0	0	0	0
Other adjustments*	0	0	0	0	0	0
<b>As at 31 March, 2021</b>	0	88938808	18311497	25888133	6219994	139358431
<b>Net Block</b>						
<b>As at 1 April, 2019</b>	176614468	23326110	3219610	3842613	2301559	209304360
<b>As at 31 March, 2020</b>	197852341	9457778	2843685	4243856	1500882	215898542
<b>As at 31 March, 2021</b>	206975633	7874989	2146628	3565215	700208	221262673

Notes:

1) The company has used deemed cost exemption under Ind AS 101 as on the date of transition to Ind AS.

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**1 (b) Capital Work in Progress (BIO-Gas Project, Moonak, under Progress)**

PARTICULARS	As On 31.03.2021	As On 31.03.2020
<b>LAND</b>		
Cost Of Land Including Registration	17556230	17556230
<b>PLANT &amp; MACHINERY</b>		
(a) Plant & Machinery /Equipments Purchased (Incl advances)	127404	54404
(b) Purchase of Machinery/Others (Incl advances)	5900500	5900500
<b>PRE-OPERATIVE EXPENDITURES PENDING CAPITALIZATION</b>		
Direct Cost:		
- Material Cost	1615603	1235800
- Labour wages	386285	247718
- Hire Charges/Machinery Running & Maint	305859	302959
Fees and Taxes:		
- Feasibility Report/Consultancy Fee-Others	517500	517500
- Soil Investigation Fee	51750	51750
- Land Survey	24500	24500
- Punjab Energy Development Authority(Registration charges)	950000	950000
- Map Fee Nagar Panchayat	51270	51270
- Legal Fee	212767	165267
- Architect Fee	354000	354000
Employee Cost	1800356	1742595
Administration Exps	383548	300923
Finance Cost	952416	929801
<b>Total (b)</b>	<b>31189988</b>	<b>30385217</b>

**Capital Work in Progress (Land & Building under Progress)**

Land	2100000	2100000
Building Under Construction:	4015105	1084950
<b>Total (c)</b>	<b>6115105</b>	<b>3184950</b>
<b>Total (B+C)</b>	<b>37305093</b>	<b>33570167</b>

*K. S. D.*



**SAB INDUSTRIES LTD**
**1 (c) Investments**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b>INVESTMENT IN EQUITY INSTRUMENTS OF ASSOCIATE CONCERNS QUOTED &amp; VALUED AT MARKET PRICE</b>		
13,24,187 (Previous Year 13,24,187) fully paid equity shares of Rs.10/- each of M/s Steel Strips Wheels Limited	928188877	467901477
1,47,93,772 fully paid up equity shares of Indian Acrylics Ltd (Previous Year 1,47,93,772) of Rs.10/- each	146754218	103556404
3900 fully paid (Previous year 3900) equity shares of Rs.10/- each of M/s Steel Strips Infrastructures Limited (Formerly known as Steel Strips & Tubes Ltd)	12671	12671
<b>INVESTMENT IN EQUITY INSTRUMENTS - OTHERS QUOTED &amp; VALUED AT COST PRICE</b>		
37 Nos fully paid up equity shares of Consolidated Fibres & Chemicals Ltd (Previous Year 37) of Rs.10/- each	64	64
<b>AGGREGATE AMOUNT OF THE QUOTED INVESTMENTS</b>	<b>1074955830</b>	<b>571470616</b>
<b>INVESTMENT IN EQUITY INSTRUMENTS OF ASSOCIATE CONCERNS UNQUOTED &amp; VALUED AT COST</b>		
5900 equity shares (previous Year 5600) of Rs.10/-each of Steel Strips Industries Ltd	102722	102722
5368630 equity shares of Rs.10/-each of M/S SAB Udyog Ltd	28775857	28775857
<b>AGGREGATE AMOUNT OF THE UN-QUOTED INVESTMENTS</b>	<b>28878579</b>	<b>28878579</b>
<b>AGGREGATE AMOUNT OF THE QUOTED &amp; UN-QUOTED INVESTMENTS</b>	<b>1103834409</b>	<b>600349195</b>
Aggregate Market value of Quoted Investments **	1074943095	571457881

Note : 1. The quoted value of shares does not include the quoted value of shares of Steel Strips Ltd as these are not being quoted in the Stock Exchanges.  
2. The company has adopted to measure investments in subsidiaries and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

**Loans**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Corporate Loans (Un-Secured)	103924227	140500000
<b>TOTAL</b>	<b>103924227</b>	<b>140500000</b>

**Other Non-Current Assets**

PARTICULARS	As on 31.03.2021	As On 0
- Advance/Recoverable from suppliers*	10127592	10127592
- Less : Provision for Doubtful Advances	10076438	10076438
	51154	51154
Security Deposits	51755	51755
<b>TOTAL</b>	<b>102909</b>	<b>102909</b>

**Deferred Tax**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
W.D.V. as per Income Tax Act.(Net of Land)	21331648	26072943
W.D.V. as per books (Net of Land)	14287040	18043676
Depreciation excess claimed in books	7044608	8029267
<b>Deferred tax assets</b>	<b>1959810</b>	<b>2233742</b>
Less : Provision already made	2233742	1127081
<b>Deferred Tax Assets/(Liability)</b>	<b>-273932</b>	<b>1106661</b>
<b>Add : Deferred Tax impact of OCI</b>	<b>(160344855)</b>	<b>(20235898)</b>
<b>Profit &amp; Loss Impact</b>	<b>(158385045)</b>	<b>(18002156)</b>

In compliance with IndAS 12 on Accounting for the Taxes on Income, the company has recognised Deferred Tax Assets in its books as per detail given herein above. In the opinion of the management, considering the future profits of the company, it will be recovered in future.



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**SAB INDUSTRIES LTD**  
**CURRENT ASSETS**  
**NOTE '2'**

**(a) Inventories**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b>COMMERCIAL PROPERTY UNDER DEVELOPMENT</b> (Land, Development expenses thereon (valued at cost) and Misc. Expenditure Pending Allocation to above commercial property)		
(a) Cost Of Land Including Registration Less : Land Aquired (950 sq.yard)	225784131 6555872 219228259	225784131 6555872 219228259
(b) Development Expenses		
Fees & Taxes (Land Dev.Fee) Addition	6135375 0	6135375
Architect/Other Fee & Taxes Addition	5683267 0	5683267
	11818642	11818642
	231046901	231046901
(c) Misc. Expenditure Pending Allocation To Above Commercial Property		
Direct Cost Addition (including GST input)	150629488 87391183	238020671 150629488
Administration Exps Addition	9120372 5781900	14902272 9120372
Employee Cost Addition	11225982 7173266	18399248 11225987
Selling & Advt. Exps Addition	4689941 1686162	6376103 4689941
Interest And Bank charges Addition	30305054 15044	30320098 30305054
Depreciation		1862359 1862359
		309880751 207833201
<b>Total :</b>	<b>540927652</b>	<b>438880102</b>

Stocks of Buildings & Buildings under construction have been valued at cost.

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**SAB INDUSTRIES LTD**  
**2 (b) Trade Receivables**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Outstanding for a period exceeding six months	9210345	9210345
- Others	9210345	0
Less : Provision for bad and doubtful debts	9210345	9210345
<b>SUB - TOTAL</b>	<b>0</b>	<b>0</b>

**(c) Cash and cash equivalent**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Balances With Banks - In Current Accounts	5096829	7665908
- Cheques/Drafts In Hand	135514924	26999076
- Cash In Hand	1030399	321992
- <b>Fixed Deposits</b>	0	0
- Under Lien With Banks As Margin Money	10595649	11074283
- Under Lien With Government Departments	252905	902824
<b>TOTAL</b>	<b>152490706</b>	<b>46964083</b>

**(d) Loans**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b>LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD, UNLESS OTHERWISE STATED)</b>		
- Suppliers/Petty Contractors	2392532	3010031
- Advance against purchase of Land	0	0
- Claims Recoverables	68971995	68971995
- Others (Un-secured)	8559164	8742869
<b>TOTAL</b>	<b>79923691</b>	<b>80724895</b>

**(e) Other Current Assets**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Security Deposit	6004662	11442128
Interest Accrued But Not Due	299919	328547
Gratuity/EL Funds with LIC	1537043	1511171
Prepaid Expenses	0	539
<b>Amounts recoverable in cash or kind</b>	<b>1671587</b>	<b>2696510</b>
Income Tax Deducted At Sources **	597406	5219485
Income Tax Refundable	5604602	5177302
GST Input credit available		
<b>TOTAL</b>	<b>15715219</b>	<b>26375682</b>

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**SAB INDUSTRIES LTD**  
**EQUITY AND LIABILITIES**  
**NOTE '3'**

**(a) Share Capital**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b>AUTHORISED CAPITAL</b> 300,00,000 Equity shares of Rs.10/- each (PREVIOUS YEAR 30000000 Equity shares of Rs.10/- each)	300000000	300000000
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b> 15210078 Equity shares (Previous year 15210078 shares) of Rs.10/- each	152100780	152100780
<b>TOTAL</b>	<b>152100780</b>	<b>152100780</b>

**DETAILS OF SHAREHOLDERS HOLDING 5% OR MORE SHARES IN THE COMPANY**

Name of shareholders	AS ON 31.03.2021 AS ON 31.03.2020	
	No of shares	%age
SHRI R K GARG	3405309	22.39%
SHRI DHEERAJ GARG	1307897	8.60%
STEEL STRIPS INDUSTRIES LTD.	805410	5.30%
STEEL STRIPS HOLDING PVT. LTD.	1200082	7.89%
STEEL STRIPS FIN. PVT. LTD.	1200077	7.89%
MUNAK FINANCIERS PVT. LTD.	1560736	10.26%
MUNAK INVESTMENTS PVT. LTD.	1200000	7.89%
STEEL STRIPS WHEELS INVT. LTD.	1215810	7.99%
PRIYA TOOLS PVT. LTD.	1256988	8.26%
BLOOMEN FLORA LTD.	1337629	8.79%

**(b) Other Equity**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
1. General Reserve Add : Amount transferred from Profit & Loss a/c	289965621	289965621 0
<b>Total (1)</b>	<b>289965621</b>	<b>289965621</b>
2. Capital Reserve	124613460	124613460
3. Security Premium Reserve	68125075	68125075
<b>Total (2)</b>	<b>192738535</b>	<b>192738535</b>
3. Profit & Loss A/C As per last Balance Sheet	454120700	922449211
Add : Profit for the year	329653991	(468328511)
<b>Total (3)</b>	<b>783774691</b>	<b>454120700</b>
<b>Total (1+2+3)</b>	<b>1266478847</b>	<b>936824856</b>

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**SAB INDUSTRIES LTD**  
**NON-CURRENT LIABILITIES**

**NOTE '4'**

**(a) Borrowings**

PARTICULARS	As On	As on	As On	As On
	31.03.2021	31.03.2021	31.03.2020	31.03.2020
<b>SECURED</b>	Non-Current	Current	Non-Current	Current
<b>CORPORATE LOAN</b> (Corporate Loan from Clix Capital Services Pvt Ltd, secured against exclusive charge on our residential property name SSL Highway Towers measuring 6.69 Acre comprising Land and Towers and personal guarantee of Promoter Sh Dheeraj Garg)	168424626	99722207	0	0
<b>VEHICLES/EQUIPMENTS LOANS FROM BANKS</b> (Secured against hypothecation of respective vehicles/ equipments and counter guarantees of the company)	713615	1649402	2649361	1818323
<b>OTHERS</b>				
1.Secured by Bank Guarantees (From Customers)	13228071	0	13228071	0
2.Secured against security furnished by Company/ Associate Companies/third party and against Security Bonds	186590422	0	186590422	0
<b>TOTAL</b>	<b>368956734</b>	<b>101371609</b>	<b>202467854</b>	<b>1818323</b>

**(b) Provisions**

PARTICULARS	As on	As On
	31.03.2021	31.03.2020
Provision for Bank Guarantees	2674000	2674000
Provision for Expenses	6538765	9416615
Provision for Workers Settlement Compensation	36000	36000
<b>TOTAL</b>	<b>9248765</b>	<b>12126615</b>

**(c) Other Long Term Liabilities**

PARTICULARS	As on	As On
	31.03.2021	31.03.2020
- Liabilities for employees retirement benefits :		
- Gratuity	3390600	2869120
- Earned Leave	1262114	933342
- Security Deposit	40673505	37559847
- Excise Refund Received Agt. Security	17369091	17369091
Less: Amount paid as security for arranging above refund	7500000	7500000
	9869091	9869091
- Received from Steel Authority of India Ltd Agt. Security	9000000	9000000
Less: Amount paid as security for arranging above refund	5000000	5000000
	4000000	4000000
<b>TOTAL</b>	<b>59195310</b>	<b>55231400</b>

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**SAB INDUSTRIES LTD  
CURRENT LIABILITIES  
NOTE '5'**

**(a) Borrowings**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b><u>SECURED FROM BANKS</u></b>		
Working Capital from Banks (Secured against Hypothecation of stocks, Book Debts and current assets of Construction Division and further secured with Collateral Security by way of Equitable Mortgage of Residential property 89/7 Panchkula of Sh.R.K.Garg,Chairman of the company and Pledge of two lakhs (previous year six lakhs) equity shares of Steel Strips Wheels Ltd	0	24666240
<b><u>UN-SECURED</u></b>		
Short Term Corporate Advances		
- From Others	0	50000000
<b>TOTAL</b>	<b>0</b>	<b>74666240</b>

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**SAB INDUSTRIES LTD****5 (b) Trade Payables**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Trade Payables		
- Micro and Small Enterprises	366991	1712876
- Others	9172176	8724731
<b>TOTAL</b>	<b>9539167</b>	<b>10437607</b>

**5 (c) Other Financial Liabilities**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Current maturities of Long-term Debts (Refer Note No.2 )	101371609	1818323
- Statutory dues	2403463	1065021
- Advance from customers	76563799	1405735
- Advance against sale of Land	27500000	15000000
- Cheques issued but not presented for payment	2198493	82197626
- Expenses payable	21544567	14821362
<b>TOTAL</b>	<b>231581931</b>	<b>116308067</b>

**5 (d) Provisions**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Provision for taxation	-	5200000
<b>TOTAL</b>		<b>5200000</b>

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**SAB INDUSTRIES LTD**  
**NOTE '6'**  
**REVENUE FROM OPERATIONS**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Revenue from Operations	12433634	99765621
<b>TOTAL</b>	<b>12433634</b>	<b>99765621</b>

**NOTE '7'**  
**OTHER INCOME**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Profit On Sale Of Land	5623292	33532308
Profit On Sale Of Assets	90239	165377
Interest Received	18464209	18015900
Miscellaneous Income	1830000	6303608
Agriculture Receipts	4025386	2954238
Dividend Received	0	5296748
<b>TOTAL</b>	<b>30033126</b>	<b>66268179</b>

**NOTE '8'**  
**Cost of Material Consumed**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Opening Stock Of Building Materials And Net Working Equipments/Materials	-	792000
Add : Purchases During The Year -		0
- Purchase - Network Equipments	309273	6506251
- Construction Material	309273	7298251
Less - Sale/Material Issued To Sub-Contractors		0
Closing stock of Materials		0
	309273	7298251
<b>TOTAL</b>	<b>309273</b>	<b>7298251</b>

**NOTE '9'**  
**Change in Inventories of Finished Goods, Work in Progress and Stock in Trade**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
- Opening Work In Progress	0	12850000
- Closing Work In Progress	0	0
<b>TOTAL</b>	<b>0</b>	<b>12850000</b>

*Dr. G.*



**SAB INDUSTRIES LTD****NOTE '10'****EMPLOYEE BENEFIT EXPENSES**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Salaries, Wages And Others Allowances ** Including Directors Remuneration	14645421	25625233
Bonus	67571	0
Contribution To Provident Funds & Other Funds	1129166	1673349
Welfare Expenses	43372	788569
<b>TOTAL</b>	<b>15885530</b>	<b>28087151</b>

**NOTE '11'****Financial Cost**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
Interest - Banks	1624970	3432164
- Others	38767975	5803511
Other Financial Charges - Banks	1476703	3740898
	0	
<b>TOTAL</b>	<b>41869648</b>	<b>12976573</b>

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**SAB INDUSTRIES LTD**

**NOTE '12'**

**Other Expenses**

PARTICULARS	As on 31.03.2021	As On 31.03.2020
<b>(a) Direct Cost</b>		
Labour & Wages	258417	1469739
Payment to Contractor	0	1582634
Hire Charges Of Machinery	0	149041
Running and Maintenance of Machinery	0	609187
Total (a)	258417	3810601
<b>(b) Selling and Distribution Expenses</b>		
Business Promotion Exps		0
Advertisement & Publicity	263064	78086
Total (b)	263064	78086
<b>(c) Establishment Expenses</b>		
Travelling Expenses - Foreign		0
- Directors		0
- Others		
Travelling Expenses - Inland		
- Directors	7038	595668
- Others	256737	1403683
Printing & Stationery	544357	309717
Postage, Telegram & Telephone	1359729	651558
Vehicles Repairs & Maintenance	360995	1047342
Insurance	220559	530165
Auditors Remuneration	621800	621800
Legal & Professional Charges	4721007	7049571
Directors' Sitting Fee	900000	1040000
Rates & Taxes	705155	7331514
Newspapers & Periodicals	0	9775
Office Maintainance Exp.	157550	1431901
Donation	0	100000
Rent	300000	2476726
Electricity & Water Charges	36460	622812
Agriculture Expenses	2989603	2237110
Loss on sale of Assets	0	4483272
Loss on sale of Land	0	24792485
Ethnol Project Abandoned	0	4750649
Service Tax Paid	0	1394000
Amount of shares of SSL written off	0	1458245
Other Miscellaneous Expenses	479282	682695
Total (c)	13660272	65020688
<b>Total (a+b+c)</b>	<b>14181753</b>	<b>68909375</b>

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## NOTE NO. 13 OF NOTES ON ACCOUNTS

### 1. Nature of Operation

SAB Industries Ltd ('the company') a public limited Company registered in India under the Companies Act 2013 (Erstwhile Companies Act 1956). The Company is a leading construction company. Its Shares are listed in Bombay stock Exchange.

### 2. Significant Accounting Policies

#### a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all the periods up to and including the year ended 31 March, 2021, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014.

The Consolidated financial statements have been prepared under the historical convention, on the accrual basis of accounting. The accounting policies have been applied consistently over all the periods presented in the Standalone financial statements.

The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

#### b) REVENUE RECOGNITION: -

##### Work Done

Work done is accounted for on the basis of certified bills. Arbitration Claims/Escalation are accounted for as specified in Ind AS 7 Para 13.

##### Interest Income

Interest in respect of fixed deposits, margin money and Security deposits have been accounted for on accrual basis.

##### Other Income

Construction scrap is accounted for on receipt basis. Other income is accounted for as and when received.

Export Incentives, if any, are accounted for on receipt basis.

### 3. Leasing

The company have leased facilities for rent payable under cancellable and non-cancellable operating leases arrangements with a lease term ranging from one to nine years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognized during the year amounts to Rs.3.00 lacs (previous year Rs.24.76 lacs). The future minimum lease payments in respect of the non-cancellable operating leases as at 31<sup>st</sup> March 2021 are:

S.No.	Particulars	(Rupees in lacs)	
		As at 31.03.21	As at 31.03.20
a)	not later than one year	12.00	12.00
b)	later than one year but not later than five year	8.50	20.50
c)	later than five year	0.00	0.00

Presently the company don't have any non-cancellable/cancellable lease rent receivable agreements. As such, no income has been recognized for future nor any income received during the year.

AKR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
K&A

#### 4. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

#### 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents balances include cash in hand, fixed deposits, margin money deposits, earmarked balances with banks, other bank balances such as dividend accounts, which have restrictions on repatriation, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### 6. INVENTORIES

Stocks of building materials and stores and shuttering material are valued at cost. Inventory of Networking Equipments lying in the offices & godowns is valued at cost price. Work-in-progress is valued on proportionate basis where certified bills have been raised in the next year, and on the best estimate basis by the management where certified bills are not available.

Stocks of Buildings & Buildings under construction have been valued at cost.



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## 7. Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Initial recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except trade receivables which are recognized at transaction price.

### Subsequent measurement

Non-derivative financial instruments

#### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

#### (iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Equity Share Capital

#### (i) Equity shares

Equity shares issued by the Company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

## 8. Investments

The company has elected to measure its investments at fair value from the date of transition to Ind AS.

## 9. Property, plant and equipment(PPE)

Fixed assets are stated at original cost net of tax/duty credit availed, if any, less accumulated depreciation and cumulative impairment and those which have been



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revaluated are stated at the values determined by the valuers less accumulated depreciation and cumulative impairment. Cost of acquisition is inclusive of freight and other incidental expenses and interest on loan taken for the acquisition of qualifying assets up to the date of commissioning of assets.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the company and cost of the item can be measured reliably. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gain or losses arising from de-recognition of fixed assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and shall be depreciated over the balance useful life of the asset.

Tangible Assets not ready for the intended use on the date of the balance Sheet are disclosed as "capital work in progress".

#### **10. DEPRECIATION :**

The depreciation is calculated based on the useful life of the assets as specified in Schedule II of the Company's Act 2013 and is charged under SLM method.

#### **11. BORROWING COST**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized/inventorised as part of cost of such assets till such time the asset is ready for its intended use/or sale. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they are incurred.

#### **12. Provision**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



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### 13. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from part events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

#### CONTINGENT LIABILITIES

	As on 31.03.2021	As on 31.03.2020
Counter Guarantees issued by the company against Bank Guarantees	497.20	646.75

### 14. Employee benefits

#### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### Provident Fund & Employee State Insurance

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

#### Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in profit or loss.



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15. **SEGMENT REPORT**

Segment wise revenue, results and capital employed for the year-ended 31.03.21 is as under:

(Rs in lacs)

<u>Sr.No.</u>	<u>Particulars</u>	31.03.2021	31.03.2020
1.	<b><u>SEGMENT REVENUES</u></b>		
	a) Construction Division	327.22	1241.20
	b) Real Estates Division	--	0.00
	c) Investments (in shares)	--	52.97
	d) Agriculture ( Including land profit )	96.48	364.86
	e) Infotech Division	0.97	1.09
	f) Unallocated	--	0.00
	<b>TOTAL</b>	<b>424.67</b>	<b>1660.12</b>
2.	<b><u>SEGMENT RESULTS</u></b>		
	Profit/(Loss) (Before tax and interest from each segment)		
	a) Construction Division	59.36	410.82
	b) Real Estates Division	0.00	0.00
	c) Investments (in shares)	0.00	52.97
	d) Agriculture	66.59	94.57
	e) Infotech Division	(5.50)	(2.70)
f) Unallocated	0.00	0.00	
	<b>TOTAL :</b>	<b>120.45</b>	<b>555.66</b>
	<b>Less: Interest &amp; financial charges</b>	<b>418.68</b>	<b>119.73</b>
	<b>TOTAL PROFIT/ (LOSS ) BEFORE TAX</b>	<b>(298.23 )</b>	<b>435.93</b>
3.	<b><u>CAPITAL EMPLOYED</u></b>		
	(Segment assets-Segment liabilities)		
	a) Construction Division	339.98	768.73
	b) Real Estates Division	5164.09	5036.07
	c) Investments (in shares)	1251.31	1251.31
	d) Agriculture	707.61	707.61
	e) Infotech Division	10.39	10.63
f) Unallocable assets less liabilities	906.51	906.51	
	<b>TOTAL</b>	<b>8379.89</b>	<b>8680.86</b>

The company has identified its business segments as its primary reporting format which comprises of Construction Division, Real Estate business, Infotech Division Investment business, Agriculture and Trading Division. The main business is Construction activities. Infotech Division, which has come into existence after merger of SAB Infotech Ltd into our company, deals basically in ISP business besides other allied activity related to this business. Real Estate business is linked to construction activities but has been identified as a separate activity in view of its different nature. Long term Investment in shares have also been treated as a separate activity. Agriculture activities have also been identified as separate activities of the company. Under Trading Division, cement from Pakistan is imported and is sold off in India. Fractionally, the imported cement is consumed in our own projects of construction activities / in Real Estate Business. The Construction Division Segment operates through a single geographical segment. Secondary/other segment disclosures have been made accordingly.



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The company has filed suits for recovery against certain debtors, suppliers and others, who have also filed counter claims/suits. The company has not accounted for these claims and counter claims in view of the policy of the company to account for the same on cash basis.

Detail of Provision as per IND AS-37		(Rs.in lacs)
Particulars	Doubtful Debtors/ Advances	
Balance as at 01.04.2020	100.76	
Provision made during the year	--	
Balance as at 31.03.2021	100.76	

**EARNINGS PER SHARE (EPS)**  
Basic/Diluted Earnings per share (Rs.in lacs)

	Current Year	Previous Year
Profit/(Loss) after tax as per Profit & Loss A/C	(338.64)	281.86
No of equity shares	15210078	15210078
Earnings per share (Face value of Rs.10/- each) (Rs) (basic & diluted)	(2.23)	1.85

Note: Diluted Earnings per share is not applicable as the same is non-dilutive.

16. **RELATED PARTY DISCLOSURES:**

Detail of transactions entered into with Related Parties during the year as required by Accounting Standard-18 on "Related Party Disclosures" issued by Institute of Chartered Accountants of India are as under:-

Particulars	Subsidiaries Company	Key Managem ent Personal (KMP)	Enterprises/ Relatives over which KMP is able to exercise significant influence	Total for this year	Total for previous year
Lease Rent paid(Incl GST)	---	---	3.54	3.54	28.44
Security Charges paid	---	---	--	--	20.00
Vehicle Hire charges Received (Incl gst)	---	---	18.30	18.30	61.49
Dividend received	---	---	--	--	52.97
Donation Given	---	---	--	--	1.00
Interest received	---	---	52.10	52.10	43.67
Management contract (salaries)	---	61.89	--	61.89	60.46



## Finance

Particulars	Subsidiaries Company	Key Management Personal (KMP)	Enterprise over which KMP is able to exercise significant influence	Total for this year	Total for previous year
1. Advances received	---	---	---	--	--
Advances Re-paid	---	--	--	--	--
Outstanding at the end of the year	---	--	--	--	--
2. Loan /Advance paid	---	---	--	--	603.00
Loan Received back	---	---	365.76	365.76	--
Outstanding at the end of the year	---	---	237.24	237.24	--

### Note:

- Key management: Sh.R.K.Garg, Chairman, Ms Priya Garg, Managing Director
- Enterprises over which Key Management Personal (KMP) are able to exercise significant influence and with whom transactions have taken place during the year:
  - Indian Acrylics Ltd
  - Steel Strips Wheels Ltd
- Relatives of the Key Management Personnel (with whom transactions have taken place) Ms Priya Garg is daughter of Sh.R.K.Garg, Chairman of the company.

17. The company has taken the Group Gratuity and Group Leave encashment policies from LIC and entire premiums demanded by them for the year 2020-21 have been paid / provided for as per the requirements of IND AS – 19.

(Amount in Rs.)

#### a) Expenses recognised in Profit and Loss Account

Particulars	Gratuity	Gratuity
	2020.21	2019.20
Current service cost	513766	383481
Interest cost on benefit obligation	124705	116395
Past service cost	0	0
Expected Returns on plan assets		
Net benefit expenses recognised in the Profit and Loss a/c	638471	499876

#### b) Details of Amount to be recognised in the Balance Sheet

Particulars	Gratuity	Gratuity
	2020.21	2019.20
Present value of obligations at the end of period	(3390600)	(2869120)
Fair value of plan assets at the end of period	1072625	1059174
Funded status	(2317975)	(1809946)
Unrecognised actuarial (gain)/losses	-	-
Defined benefit obligation	0	0
Less: Unrecognised past service cost	0	0
Net asset/ (liability) recognised in the balance sheet	(2317975)	(1809946)

Note: The above plans are Funded.



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## c) Change in the present value of Projected Benefit Obligation

Particulars	Gratuity	Gratuity
	2020.21	2019.20
Opening defined benefit obligation	2869120	2911364
Interest cost	197682	226795
Past service cost	0	0
Current service cost	513766	383481
Liability transferred in Acquisition	0	0
Benefit paid	(49615)	(447462)
Actuarial (gains)/ losses on obligation due to change in financial assumptions	5720	216481
Actuarial (gains)/ losses on obligation-due to experience	(146073)	(421539)
Closing defined benefit obligation	3390600	2869120

## d) Changes in the Fair Value of plan Assets

Particulars	Gratuity	Gratuity
	2020.21	2019.20
Fair Value of plan assets as at 1st April 2018	1059174	1417197
Interest Income	72977	110400
Expected returns on plan assets	(19911)	(30961)
Contributions	10000	10000
Benefit paid	(49615)	(447462)
Actuarial (gains)/ losses on plan assets	0	0
Fair Value of plan assets as at 31st March 2021/2020	1072625	1059174

Particulars	2020.21-%	2019-20
Expected Return on Plan Assets	6.89%	7.79%
Discount rate	6.89%	7.79%
Expected Increase in Compensation cost	7.00%	7.00%
Rate of employee Turnover	2.00%	2.00%
Mortality basis	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate

## 18. Estimates of uncertainties relating to the global health pandemic from COVID-19

The massive spread and outbreak of the virus "COVID-19" has impacted economic activities across the globe. The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organization with an adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on the movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations of the Company manufacturing facilities got temporarily disrupted.

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information, the Company estimates that there is no significant impact on the carrying value of assets and liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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19. The Balance Sheet of the Company M/S SAB Industries Ltd has been revised in view of the merger order of Hon'ble NCLT, Chandigarh Bench dated 06.10.2021 whereby the scheme of Amalgamation of Steel Strips Ltd with SAB Industries Ltd has been approved. The scheme has become effective from 19.10.2021 with appointed date of 01.04.2019.

Steel Strips Limited (Transferor Company) bearing CIN No. L45202PB1975PLC003610 was a Public Limited Company listed on BSE having its registered office situated at Village Harkishanpura, Bhawanigarh Tehsil, Distt. Sangrur, Punjab -148026 (hereinafter referred to as the Transferor Company) and was engaged in the Business of manufacturing of Steel Products (Steel Billets, Ingots and Special Steels in rounds and flats). However, the steel business of the Company could not survive due to severe recession in Steel Industry and its previous activities became un-competitive. The Board of the Company was in the process of exploring and evaluating alternative business opportunities including the same activities which the Transferor company was in business. The Equity shares of the Transferor Company are listed on the BSE Limited ("Stock Exchange").

SAB Industries Limited (Transferee Company) bearing CIN No. L0000CH1983PLC031318 is a Public Company listed on "BSE Limited" having its registered office at SCO 49-50, Sector-26, Madhya Marg, Chandigarh-160019 (hereinafter referred to as the Transferee Company) and is engaged in the Construction, Infrastructure Development, and Real Estate business. The Equity Shares of the Transferee Company are listed on BSE Limited ("Stock Exchange").

Thus the amalgamation scheme was evaluated by way of merger of Steel Strips Ltd into SAB Industries Ltd. The amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent to the issuance of shares of Transferee Company, in accordance with the Share Exchange Ratio to the eligible members of the transferor company, in respect of each share of the Transferor Company held by them in accordance with this scheme ("Amalgamation"). The appointed Date for merger of Steel Strips Ltd in SAB Industries Ltd is 01.04.2019.

SAB Industries Limited as on 31st March, 2019, holds 685934 (8.28%) equity shares of Steel Strips Limited. Upon the Scheme becoming effective, Equity Share of Steel Strips Limited held by SAB Industries Limited, stands cancelled under the merger scheme and Equity Share Capital of Steel Strips Limited reduced accordingly.

As per the Scheme, "Every Shareholders/Members of Transferor Company holding 350 (Three Hundred Fifty) Equity Shares of Rs. 10/- (Ten) each fully paid up in the Transferor Company has been given 1 (One) Equity shares of Rs.10/-( Ten) each fully paid up in Transferee Company."

The Assets and Liabilities of Transferor Company which have been transferred to Transferee Company under the approved merger scheme and incorporated in this Balance Sheet are as under:

Particulars	Debit	Credit
Assets		
- Advance recoverable from supplier(SAIL)	10127592	
- Security given a/c SAIL	12500000	
- Advance Rent	30000	

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- Deepak Industries Ltd	21755	
- Cash in hand	1558	
- HDFC Bank A/C No.01072320001909	30704	
- Cheques in hand (SAB)	2977801	
- Income Tax Refund	597406	
- GST Input	1183227	
<b>Liabilities</b>		
- Excise Refund received against security		17369091
- Recovered from SAIL against security		9000000
- Provision for doubtful advances-SAIL		10076438
- Provision for workers settlement compensation		36000
- Audit Fee payable		11800
- TDS professionals		678
- Salary payable		23390
- P.F.Payable		2160
- Expenses Payables		1875188
- Cheques issued but not presented for payment		1198493
- Equity share capital		217,060
- Capital Reserve a/c		82,613,970
- General Reserve		99,819,195
- Securities Premium Reserve		68,125,075
- Profit & Loss a/c	262898495	
	290,368,538	290,368,538

Further, the other details are as under:

Application filed in Hon'ble NCLT, Chandigarh on 26<sup>th</sup> September 2019.

Date of Approval 06<sup>th</sup> October 2021.

Date of compliance 19<sup>th</sup> October 2021.

20 Expenditure in Foreign Currency. Nil

FOR AND ON BEHALF OF SAB INDUSTRIES LTD

GURPREET KAUR (C.S.)  
PAN AMCPK7926R

SANJAY GARG  
DIRECTOR

AUDITORS' REPORT

Certified in terms of our separate report of even date annexed.

PLACE : CHANDIGARH

DATED : 11-12-2021

For AKR & Associates  
Chartered Accountants  
(Kailash Kumar)  
Partner  
Membership No. 505972

Mugany

Sanjay Garg

Gurpreet Kaur