



DEEPAK GROVER & ASSOCIATES

CHARTERED ACCOUNTANTS

Date

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Satia Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

CA Deenak Grover
B.Com. F.C.A.

To
The Board of Directors of
Satia Industries Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Satia Industries Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

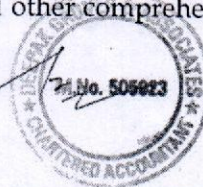
1. is presented in accordance with the requirements of the Listing Regulations in this regard; and
2. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net profit, other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

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, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income



of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 misstatements of the Statement, 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents 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, 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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion on the same is not modified in respect of this matter.

For Deepak Grover & Associates

Chartered Accountants

Firm Registration No. 020678N

Deepak Grover (Proprietor)

Membership No. 505923



Place: Ferozepur

Date: 22.06.2020

Statement of audited financial results for the Quarter and Year ended March 31, 2020

Sr. no.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.03.2019	31.12.2019	31.03.2020	31.03.2019
		Audited	Audited	Unaudited	Audited	Audited
I	Revenue from operations	17,905.84	19,854.25	20,123.84	80,863.72	73840.55
II	Other income	119.07	273.74	238.29	1,519.79	1,444.57
III	Total Income (I+II)	18,024.91	20,127.99	20,362.13	82,383.51	75,285.12
IV	Expenses					
	Cost of material consumed	7,587.78	7,562.31	8,023.73	33,562.38	27784.54
	Purchases of stock-in-trade	8.50	(49.72)	699.77	1,576.29	642.77
	Changes in inventory of finished goods, stock in trade and work in progress	152.32	970.77	609.27	192.30	22.05
	Employee benefits expense	1,232.75	1,262.01	1,371.15	5,283.16	4722.52
	Finance costs	445.05	429.31	467.41	2,021.55	2077.50
	Depreciation	1,523.35	1,279.08	1,311.63	5,462.01	4773.16
	Other expenses	5,199.83	5,593.67	4,786.90	22,757.83	24254.51
	Total expenses (IV)	16,149.58	17,047.43	17,269.86	70,855.52	64277.05
V	Profit before tax (III-IV)	1,875.33	3,080.56	3,092.27	11,527.99	11008.07
VI	Tax expense:					
	Current tax	172.66	64.62	605.96	2,350.02	1,813.95
	Deferred tax	97.51	165.71	57.30	(5.82)	416.99
VII	Profit for the period (V-VI)	1,605.16	2,850.23	2,429.01	9,183.79	8,777.13
VIII	Other comprehensive income					
	A (i) Items that will not be reclassified to profit and loss	(71.04)	118.12	7.84	(47.52)	31.36
	(ii) Income tax relating to items that will not be reclassified to profit and loss	24.10	(40.88)	(2.66)	16.12	(10.85)
	B (i) Items that will be reclassified to profit and loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-	-	-
IX	Total Comprehensive Income for the period (VII+VIII) (Comprising profit and Other Comprehensive Income for the period)	1,558.23	2,927.47	2,434.19	9,152.40	8,797.64
X	Paid-up equity share capital (Face value- `1 per equity share)	1000	1000	1000	1000	1000
XI	Earnings per share (of `1 each) (for the period - not annualised)					
	- Basic (Revised)	1.61	2.85	2.43	9.18	8.78
	- Diluted (Revised)	1.61	2.85	2.43	9.18	8.78



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Segment Wise Revenue, Results, Assets And Segment Liabilities

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.03.2019	31.12.2019	31.03.2020	31.03.2019
		Audited	Audited	Unaudited	Audited	Audited
1	Segment Revenue					
	a) Paper	17,311.21	19,799.29	19,701.60	79,322.97	72,675.29
	b) Yarn & Cotton	-	-	-	18.66	1,436.53
	c) Co Generation Division	3,424.04	3,884.97	3,586.37	14,959.99	15,864.49
	d) Agriculture	537.84	-	367.98	1,288.64	82.89
	e) Solar Division	56.79	54.95	54.26	233.45	652.29
	Total	21,329.88	23,739.20	23,710.21	95,823.71	90,711.49
	Less: Inter Segment Revenue	3,424.04	3,884.95	3,586.37	14,959.99	16,870.93
	Net Revenue from operations	17,905.84	19,854.25	20,123.84	80,863.72	73,840.56
2	Segment Results					
	Profit before Interest & Tax					
	a) Paper	809.80	2,016.65	2,109.41	6,905.92	6,510.80
	b) Yarn & Cotton	2.70	(3.03)	(0.91)	0.00	1.63
	c) Co Generation Division	1,509.22	1,522.78	1,425.44	6,590.96	6,531.94
	d) Agriculture	112.57	39.39	71.32	306.25	235.31
	e) Solar Division	(113.91)	(65.92)	(45.58)	(253.59)	(194.11)
	Total	2,320.38	3,509.87	3,559.68	13,549.54	13,085.57
	Less: Interest	445.05	429.31	467.41	2,021.55	2,077.50
	Profit before Tax	1,875.33	3,080.56	3,092.27	11,527.99	11,008.07
3	Segment Assets					
	a) Paper	68,119.77	51,916.48	61,500.21	68,119.77	51,916.48
	b) Yarn & Cotton	367.33	418.56	329.06	367.33	418.56
	c) Co Generation Division	10,391.19	7,900.20	13,130.30	10,391.19	7,900.20
	d) Agriculture	3,769.85	3,534.84	3,268.91	3,769.85	3,534.84
	e) Solar Division	1,861.03	2,267.51	2,148.32	1,861.03	2,267.51
	Total	84,509.18	66,037.59	80,376.80	84,509.18	66,037.59
4	Segment Liabilities					
	a) Paper	18,873.07	15,386.57	19,248.83	18,873.07	15,386.57
	b) Yarn & Cotton	399.72	447.32	434.64	399.72	447.32
	c) Co Generation Division	1,276.16	662.46	840.31	1,276.16	662.46
	d) Agriculture	28.80	7.16	69.96	28.80	7.16
	e) Solar Division	3.15	7.03	3.15	3.15	7.03
	Total	20,580.91	16,510.54	20,596.89	20,580.90	16,510.54



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Satia Industries Limited

Statement of Assets & Liabilities

(INR in Lakhs)

Particulars	As at	As at
	Mar 31, 2020	March 31, 2019
	Audited	Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	37,090.90	38,264.40
(b) Capital work-in-progress	21,474.00	5,612.91
(c) Financial assets	-	-
(i) Investments	327.67	311.07
(ii) Loans	-	168.12
(iii) Other financial assets	102.00	101.90
Deferred tax asset (net)	319.63	587.72
Other non-current assets	519.25	-
Total non-current assets	59,833.45	45,046.12
Current assets		
Inventories	5,310.66	5,987.11
Biological assets other than bearer plants	2,812.75	3,029.20
Financial assets	-	-
Trade receivables	13,228.37	10,574.16
Cash and cash equivalents	172.41	46.91
Bank balances other than above	1,374.73	353.95
Other financial assets	234.50	262.83
Current tax assets	220.99	-
Other current assets	1,321.32	737.31
Total current assets	24,675.73	20,991.47
Total assets	84,509.18	66,037.59
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,000.00	1,000.00
Other equity	38,548.10	29,757.38
Total equity	39,548.10	30,757.38
Non-current liabilities		
Financial liabilities		
Borrowings	15,876.73	10,540.60
Other financial liabilities measured at amortised cost	8,503.45	8,229.07
Other non current liabilities	691.51	28.18
Long term provisions	931.19	771.75
Total non-current liabilities	26,002.88	19,569.60
Current liabilities		
Financial liabilities		
Borrowings	5,958.97	5,366.73
Trade payables	5,300.98	4,538.11
Other financial liabilities measured at amortised cost	6,670.17	5,162.60
Current tax liabilities	-	129.85
Other current liabilities	927.66	441.50
Short term provisions	100.42	71.82
Total current liabilities	18,958.20	15,710.61
Total liabilities	44,961.08	35,280.21
Total equity and liabilities	84,509.18	66,037.59



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SATIA INDUSTRIES LIMITED

Statement of Profit and Loss

Cash Flow Statement for the year ended March 31,2020

(in Indian Rupees lacs, unless otherwise stated)

(INR in Lakhs)

Particulars	Notes No.	Year ended As at March 31,2020	Year ended As at March 31,2019
A. Cash flow from Operating Activities:			
Net profit before tax		11,527.99	11,008.07
Adjustments for:			
Depreciation and amortisation		5,462.01	4,773.16
Finance costs		2,021.55	2,077.50
Interest income		(96.71)	(48.85)
Net loss (gain) on sale / discarding of fixed assets		(0.39)	(7.25)
Gain on government grant		(5.96)	(7.22)
Gain on fair valuation of biological assets		(493.59)	(559.47)
Exchange Rate (Gain)/loss		(37.57)	(48.99)
Impairment loss/(Gain) on financial assets		(16.60)	(17.48)
Operating Profit before Working Capital changes		18,360.73	17,169.47
Adjustments for changes in Working Capital :			
- Increase/(decrease) in trade payables & other payables		1,523.41	(758.59)
- (Increase)/decrease in trade receivables & Other receivables		(4,079.25)	2,560.64
- Increase/(decrease) in other financial liabilities & provisions		188.04	82.49
- (Increase)/decrease in inventories		1,386.49	(244.65)
Cash generated from Operating Activities		17,379.42	18,809.36
- Taxes (paid)		(2,410.82)	(2,095.32)
Net Cash from Operating Activities		14,968.60	16,714.04
B. Cash flow from Investing Activities:			
Purchase of Property, plant and equipment		(4,312.94)	(11,920.31)
Payment for Capital WIP		(15,861.09)	(2,663.35)
Other Non Current Asset		(519.25)	-
Sale of Property, plant and equipment		25.00	83.77
Interest received		78.83	38.85
Net Cash from Investing Activities		(20,589.45)	(14,461.04)
C. Cash flow from Financing Activities:			
Proceeds of short term borrowings (Net)		2,110.89	(1,392.30)
Proceeds of long term borrowings (Net)		5,336.13	1,444.68
Other Financial Liabilities		663.33	-
Interest paid		(2,002.33)	(2,091.70)
Dividend paid		(300.00)	(250.00)
Corporate dividend tax paid		(61.67)	(51.35)
Net Cash from Financing Activities		5,746.35	(2,340.68)
Net Increase/(Decrease) in cash & cash equivalents (A+B+C)		125.50	(87.69)
Cash and cash equivalents at the beginning of the year		46.91	134.61
Cash and cash equivalents at the end of the year	15	172.41	46.92
Cash and cash equivalents comprise			
Cash & cheques in hand		34.71	31.45
Balance with banks		137.70	15.46
		172.41	46.92



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Note

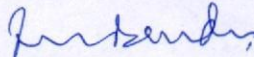
- 1 Pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company has published quarterly results. The Results of the corresponding periods are management certified figures. These financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 2 Company's operations at its Rupana unit, Punjab were temporarily suspended due to nationwide lockdown in wake of Covid-19. The Company resumed its operations on 17th April, 2020 after necessary approvals from respective authorities. All necessary precautions relating to safety, hygiene, sanitization of the employees are being followed.
- 3 The above results were reviewed by the Audit Committee at the meeting held on 22nd June, 2020 and thereafter have been adopted by the Board at its meeting held on 22nd June, 2020. Audit of these results has been carried out by the Auditors.
- 4 IND AS 116 "Leases " has been introduced effective from April 1, 2019 and its application has resulted in recognising right of use assets and corresponding lease liabilities. The comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The adoption of this standard does not have any significant impact on profit and earning per share of the current period.
- 5 The Company has business segments namely a). Writing & Printing Paper b). Yarn & cotton c). CO Generation d). Agriculture e). Solar.
- 6 The Company declared and paid an interim dividend of Rs. 0.15/- per share (15%) on Equity Shares amounting to Rs. 180.84 Lakhs, including taxes, for the financial year 2019-20.
- 7 The equity shares of the company, during the current year, have been sub-divided from existing face value of Rs 10/- per equity shares to face value of Re. 1/- per equity share based on approval by the shareholders in its 38th Annual General Meeting. Accordingly, basic and diluted earnings per equity share have been computed for all the periods presented in the above results on the basis of new number of equity shares.
- 8 Figures for previous year and quarter have been revised or reclassified, wherever necessary, for consistency.

Date : 22nd June, 2020

Place: Rupana



For Satia Industries Limited


(Rajinder Kumar Bhandari)
Joint Managing Director
DIN : 00732588