CONSOLIDATED FINANCIAL STATEMENT

2021-2022

PHOENIX INDUSTRIES LIMITED

Arvind Baid & Associates

Registered Office :
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PHOENIX INDUSTRIES LTD.

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Phoenix Industries Limited** (hereinafter referred to as "The Holding Company or the Company ") and its wholly owned subsidiary incorporated outside India **Phoenix Impex FZE** (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2022,the consolidated Statement of Profit and Loss and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated 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 and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the wholly owned subsidiary incorporated outside India referred to in the Other Matters section below, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2022, the consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. Some of matters reported under key audit matters were also highlighted by whistle blower during the year under audit (Refer Note 43 of the notes to consolidated financial statements). We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit matters	How our Audit addressed the key audit matter
Recognition of Expenses	1. There is an inherent risk and presumed fraud risk around the accuracy and existence of expenses recognized considering the customized and complex nature of transactions. 2. On a sample basis, tested supporting documentation for expenses recorded during the year. 3. Performed on increased level of substantive testing in respect of expenses transactions recorded during the year. 4. During the audit, we find that some of payment made by company were in the nature of personal expenses. The identified payments were debited to personal account of respective director(s).
Capitalizations or Revenue Recognition	1. On a sample basis, tested supporting documentation for expenses made towards capital and revenue expenditure recorded during the year. 2. Accounting Standards AS-10 and AS-16 prescribe the principles of capitalization of various costs based on the underlying concept that only such expenditure should be capitalized as

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form a part of the cost of fixed assets which increase the worth of the assets, acquisition of fixed tangible assets such as land, building, machinery, furniture, motor vehicle, improvement or extension of fixed assets etc.

3. If an expenditure is made not for the purpose of bringing into existence any capital asset or advantage of enduring nature but for running the business or working it with a view to produce the profits is revenue expenditure. Such expenditure benefits the current period only. It is incurred to maintain the existing earning capacity of the business.

Rule For Determining Capital Expenditure

1. An expenditure is capital expenditure, if it is incurred for acquiring a long-term asset for use in the business to earn revenue and not meant for sale.
2. An expenditure is capital expenditure, if it is incurred to put an asset into working condition.
3. An expenditure incurred for putting an old asset into working condition is treated as capital expenditure and added to the cost of the asset.
4. An expenditure incurred to increase the earning capacity of a business is treated as capital expenditure.
5. Borrowing costs (e., interest and other costs incurred by an enterprise in connection with the borrowing of funds) that are directly attributable to the acquisition, construction or production of a qualifying asset should be capitalized as part of the cost of that asset till the asset is ready for its intended use or sale as per AS-16: Borrowing costs.

Rule For Determining Revenue Expenditure

1. An expenditure incurred for the purpose of acquiring goods purchased for resale, consumable items, etc. is a revenue expenditure.
2. Expenditures incurred on other direct expenses, i.e., expenses on production and purchase of goods such as wages, power, freight etc. are revenue expenditure.

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	3. Expenditure incurred for maintaining fixed assets in working order is revenue expenditure. 4. Expenditures incurred on non-operating expenses and losses are revenue expenditures. 5. Expenditure incurred for protecting the business is a revenue expenditure. 6. Expenditure incurred to maintain the existing efficiency or the earning capacity is of revenue expenditure. ***Considering the above basis and based on our sample checking and informed opinion and also based on certificate obtained from structural engineer we have segregated and recognized capital expenditure and revenue expenditure.***
Sale and purchase of Silicon	1. There is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognized considering the customized and complex nature of transactions. 2. On a sample basis, tested supporting documentation for sale and purchase transactions recorded during the year which included sale invoices, customers contract etc. 3. Performed on increased level of substantive testing in respect of sale and purchase transactions recorded during the year and observed that during the period from June 2021 to January 2022 price of silicon metal has fluctuated on daily basis and also observed that the fluctuation of price was unusual, variable and factored by demand and supply forces. ***The variation and fluctuation in prices of silicon metal is wide and market driven. We have performed relevant audit procedures including tests and checks on the documents produced before us and information and explanations provided to us by the management to determine whether the transaction have been properly recorded.***
Change in valuation method of stock in trade	The Company has been using first-in-first-out (FIFO) method for Inventory valuation till FY 2020-21. Effective FY 2021-22 (year under audit), the Company has changed the method of inventory valuation to weighted average method based on nature of inventory, its productions process, the consumption pattern, and

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	external market dynamics. As per the Company, the weighted average method of valuation is fairest possible approximation to the cost incurred in bringing the items of inventory to their present location and condition. The financial impact of the change in valuation of inventory is put in the respective section under Notes in the Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for preparation and presentation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements, 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 during the course of our audit or otherwise appear 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.

Management's Responsibilities 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 Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules,2014. The respective Board of Directors of the companies included in 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance

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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 consolidated 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 management of the companies included in Group are responsible for assessing the 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 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 also 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:

i. 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.

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ii. obtain an understanding of internal financial controls 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 Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

iii. evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. 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 to cease to continue as a going concern.

v. 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.

vi. obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, 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, 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.

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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 Matter

We did not audit the financial statements/ financial information of the wholly owned subsidiary incorporated outside India, whose financial statements / financial information reflect total assets of Rs. 10745607/- as at 31st March, 2022 and total revenues of Rs. 31928896/- and total net profit/(loss) after tax of (Rs 3798635/-) for the year ended on that date, as considered in the Consolidated Financial Statements.

These consolidated financial statements and other financial information have been audited by other auditors, which financial statement, other financial information and auditor's reports have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of wholly owned subsidiary incorporated outside India 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 wholly owned subsidiary incorporated outside India, are based solely on the report of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of wholly owned subsidiary incorporated outside India, as noted in the 'Other Matter' paragraph we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.

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b. In our opinion, proper books of account as required by law have been kept by the Holding Company and its wholly owned subsidiary incorporated outside India including relevant record relating to preparation of the aforesaid consolidated financial statements so far as it appears from our examination of books and records of the Holding Company and the report of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the 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 Indian 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 of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under section 139 of the Act, of its wholly owned subsidiary incorporated outside India, none of the directors of the Group is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to these consolidated financial statements of the holding company and its wholly owned subsidiary incorporated outside India, a company incorporated in India, refer to our separate Report in Annexure "A".

g. 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 Group has disclosed the impact, if any, of pending litigations as on 31st March, 2022 on the consolidated financial position. Refer Note 31 to the consolidated financial statements.

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ii. The Group did not have any foreseeable losses in respect of derivative contracts. The Group has not entered into any long-term contracts requiring provision for material foreseeable losses.

iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education & Protection Fund by the Holding Company and its wholly owned subsidiary incorporated outside India, during the year ended 31st March, 2022.

iv. (a) The management has represented ,that, to the best of its knowledge and belief, 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 or its wholly owned subsidiary incorporated outside India 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 Holding Company or its wholly owned subsidiary incorporated outside India company incorporated in India shall

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its wholly owned subsidiary incorporated outside India company 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, no funds have been received by the Holding or its wholly owned subsidiary incorporated outside India 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 or its wholly owned subsidiary incorporated outside India company shall :

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under g (iv) (a) and (b) above, contain any material misstatement.

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v. The Group has not declared nor proposed or paid any dividend during the year and, therefore, compliance under section 123 of the Companies Act, 2013 is not applicable.

2. With respect to the matters specified in para 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order/CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company ,and the CARO report issued by the other auditor for the wholly owned subsidiary incorporated outside India company included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO report.

For Arvind Baid & Associates
Chartered Accountants
(Firm Regn. No.137526W)

ARVIND BAID & ASSOCIATES F.R.NO. 137526W MUMBAI CHARTERED ACCOUNTANTS

CA Arvind Baid
PARTNER
M.No.: 155532

Place : Mumbai
Dated : 13/12/2022
UDIN : 22155532BFLBSW2330

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls 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 Phoenix Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March,2022, in conjunction with our audit of the consolidated financial statements of the Holding Company and its wholly owned subsidiary incorporated outside India which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company & its wholly owned subsidiary incorporated outside India which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding company's internal financial controls over financial reporting with reference to these consolidated financial statements 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') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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An audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 and audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to these consolidated financial statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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 with reference to these consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 control over financial

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reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company and its wholly owned subsidiary incorporated outside India, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controlsover financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March, 2022, based on the criteria for internal control over financial reporting criteria established by the Holding Company and its wholly owned subsidiary incorporated outside India 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 control over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to its Wholly owned subsidiary incorporated outside India, is based on the corresponding report of the auditors of such company. Our opinion is not qualified in the respect of this matter.

For Arvind Baid & Associates
Chartered Accountants
(Firm Regn. No.137526W)

ARVIND BAID & ASSOCIATES F.R.NO.137526W MUMBAI CHARTERED ACCOUNTANTS

Place : Mumbai
Dated : 13/12/2022
UDIN : 22155532BFLBSW2330

CA Arvind Baid
PARTNER
M.No.: 155532

PHOENIX INDUSTRIES LIMITED

Consolidated Balance Sheet as at March 31, 2022

(Amount in Lakhs.)

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
(A) Equity and Liabilities			
(1) Shareholder's funds			
(a) Share capital	2	2,000.00	2,000.00
(b) Reserves and surplus	3	10,855.03	7,583.11
Total equity		**12,855.03**	**9,583.11**
(2) Non-current liabilities			
(a) Deferred tax liabilities (net)	4	-	58.70
(b) Long term provisions	5	92.16	106.39
Total non-current liabilities		**92.16**	**165.09**
(3) Current liabilities			
(a) Short-term borrowings	6	7,398.90	5,527.51
(b) Trade payables	7		
Total outstanding dues of micro, small and medium enterprises		4.99	1.34
Total outstanding dues of creditors other than micro, small and medium enterprises		506.44	298.48
(c) Other current liabilities	8	226.90	187.92
(d) Short term provisions	9	436.62	33.60
Total current liabilities		**8,573.8**	**6,048.9**
Total equity and liabilities		**21,521.04**	**15,797.06**
(B) Assets			
(1) Non-current assets			
(a) Property, plant and equipment and Intangible Assets			
Property, plant and equipment	10	2,245.15	2,013.15
Intangible Assets			
(b) Deferred tax assets (net)	11	57.19	-
(c) Long term loans and advances	12	98.12	41.35
(d) Other non-current assets	13	7.64	8.91
Total non-current assets		**2,408.10**	**2,063.4**
(2) Current assets			
(a) Inventories	14	7,438.70	4,004.80
(b) Trade receivables	15	9,609.78	7,610.46
(c) Cash and cash equivalents	16	98.05	69.05
(d) Short term loans and advances	17	898.66	1,827.28
(e) Other current assets	18	1,067.76	222.06
Total current assets		**19,112.94**	**13,733.6**
Total assets		**21,521.04**	**15,797.06**
Summary of significant accounting policies and other explanatory information	1		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached.

For M/s. Arvind Baid & Associates
Chartered Accountants
Firm Registration No. 137526W

ARVIND BAID & ASSOCIATES F.R.NO.137526W MUMBAI CHARTERED ACCOUNTANTS

Arvind Baid
Partner
Membership no. 155532

Place: Mumbai
Date: 13/12/2022

For and on behalf of the Board of Directors

R. S. Sangai

Ramanand S. Sangai
Director
DIN: 00036589

A. Sangai

Amit R. Sangai
Director
DIN: 07336186

Place: Mumbai
Date 7/12/2022

PHOENIX INDUSTRIES LIMITED

Consolidated Profit and loss for the year ended March 31, 2022

(Amount in Lakhs.)

Particulars	Note no.	Year ended March 31, 2022	Year ended March 31, 2021
(A) Income			
(a) Revenue from operations (net)	19	97,309.54	50,040.73
(b) Other income	20	174.26	386.01
Total income		**97,483.80**	**50,426.74**
(B) Expenses			
(a) Cost of materials and components consumed	21	44,226.25	24,287.95
(b) Purchase of stock- in-trade	22	46,444.33	20,820.77
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(2,873.15)	(527.81)
(d) Employee benefit expense	24	936.38	780.18
(e) Finance costs	25	655.87	415.69
(f) Depreciation and amortization expense	10	170.10	166.50
(g) Other expenses	26	3,536.55	1,812.08
Total expenses		**93,096.33**	**47,755.37**
(C) Profit before tax before exceptional items		**4,387.47**	**2,671.37**
(D) Exceptional items (loss)		-	-
(E) Profit before tax		**4,387.47**	**2,671.37**
(F) Tax expense			
(a) Current tax		(1,227.91)	(625.00)
(b) Excess/(short) provision of tax of earlier year		(3.63)	3.17
(c) Deferred tax		115.89	(58.70)
Total tax expense		**(1,115.65)**	**(680.53)**
(G) Profit for the year		**3,271.83**	**1,990.84**
(H) Earning per equity share	29		
Basic and diluted earnings per share (Face value per share Rs. 10/-)		**16.36**	**9.95**
Summary of significant accounting policies and other explanatory information	1		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached.

For M/s. Arvind Baid & Associates

Chartered Accountants

Firm Registration No. 137526W

F.R.NO.137526W MUMBAI ARVIND BAID & ASSOCIATES CHARTERED ACCOUNTANTS

Arvind Baid

Partner

Membership no. 155532

For and on behalf of the Board of Directors

R. S. Sangai

Ramanand S. Sangai

Director

DIN: 00036589

A. Sangai

Amit R. Sangai

Director

DIN: 07336186

Place: Mumbai

Date: 13/12/2022

Place: Mumbai

Date: 7/12/2022

PHOENIX INDUSTRIES LIMITED

Consolidated cash flow statement for the year ended and as at March 31, 2022

(Amount in Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
(A) Cash flow from operating activities				
Profit before tax before exceptional items		4,387.47		2,671.37
Adjustments for:				
Depreciation and amortisation expense	170.10		166.50	
Provision for doubtful debts	71.88		-	
Provision for advance licence duty	186.96		-	
Bad debts written off	181.23		-	
Assets written off	13.84		-	
Items considered separately:			-	
Finance costs	655.87		416.21	
Profit on sale of property, plant & equipment	(0.26)		(0.71)	
Surplus on sale of investments	(7.19)		(7.81)	
Interest income	(59.80)		(27.23)	
Dividend received on mutual funds	-		(0.58)	
Deferred tax	(115.89)	1,097	(58.70)	488
Operating profit before working capital changes		5,484.23		3,159.05
Adjustment for changes in working capital:				
Inventories	(3,434)		(752.64)	
Trade receivables	(2,252)		(2,789.59)	
Loans and other receivables	78.67		(1,314.08)	
Trade payables	211.60		31.95	
Liabilities and provisions	240.80		(333.17)	
Deferred tax	115.89	(5,039.37)	58.70	(5,098.84)
Cash generated from/(used in) operating activities		444.86		(1,939.79)
Taxes paid		(1,282.78)		(621.83)
Net cash (used in)/ generated from operating activities		(837.92)		(2,561.62)
(B) Cash flow from investing activities				
Acquisition of property, plant and equipment	(416.18)		(469.81)	
Proceeds from sale of property, plant & equipments	0.50		0.99	
Purchase of investments	(3,500.00)		(30.00)	
Sale of investments	3,507.19		286.98	
Interest received	59.80		27.23	
Dividend received on mutual funds	-		1	
Net cash (used in)/ generated from investing activities		(348.69)		(184.04)
(C) Cash flow from financing activities				
(Repayment)/ proceeds of short term borrowings	1,871.39		2,214.09	
Finance cost	(655.87)		(416.21)	
Net cash generated from/(used in) financing activities		1,215.52		1,797.88
Net (decrease)/increase in cash and cash equivalents (A+B+C)		29.00		(947.78)
Cash and cash equivalents at the beginning of the year		69.05		1,016.83
Cash and cash equivalents at the end of the year		98.05		69.05

Notes to the cash flow statement

(a) The above Statement of cash flow has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statements' and presents the cash flows

(b) Components of cash and cash equivalents:

(Amount in Lakhs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash on hand	1.22	1.89
Balances with banks in current accounts	71.85	49.58
Fixed deposits with maturity of more than three months and less than twelve months	24.97	17.58
Total cash and cash equivalents at the end of the year	98.05	69.05

Summary of significant accounting policies and other explanatory information

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached.

For M/s. Arvind Baid & Associates
Chartered Accountants
Firm Registration No. 137526W

ARVIND BAID & ASSOCIATES
F.R.NO.137526W
MUMBAI
CHARTERED ACCOUNTANTS

Arvind Baid
Partner
Membership no. 155532

Place: Mumbai
Date: 13/12/2022

For and on behalf of the Board of Directors

Ramanand S. Sangai
Director
DIN: 00036589

Amit R. Sangai
Director
DIN: 07336186

Place: Mumbai
Date: 7/12/2022

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 1- Significant Accounting Policies:

I. Group Corporate Information

Phoenix Industries Limited ('the Holding Company') was incorporated in April 12, 2019 as Public Company, previously the Company was originally incorporated as Phoenix Industries Private Limited in May 19, 1993 and is one of the leading manufacturers of Non-ferrous metal alloys in India. The Group manufactures more than 150 types of alloys used in various industries such as Automobiles, Lighting, Switchgear, Hardware, Sanitary ware, Defence, Aerospace etc. The Company is a public limited company and domiciled in India.

The financial statements comprise the financial statements of the Company and its subsidiary (the Company and its subsidiary referred to as "the Group"). These consolidated financial statements ("the financial statements") of the Group for the year ended March 31, 2022 were authorised for issue in accordance with resolution of the Board of Directors on September 07, 2022.

II. Significant Accounting Policies followed by the Group

(a) Statement of compliance

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention under accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or an addendum thereto are prescribed by Central Government in consultation and recommendation of National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Till the NFRA is constituted, the Central Government in consultation with the National Advisory Committee on Accounting Standards has notified the Companies (Indian Accounting Standards) Rules, 2015 vide MCA's notification dated 16.02.15 as amended vide notification dated 30.03.16 which Accounting Standards are still not made applicable to the Company. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) of Companies Act, 1956 (Companies (Accounting Standards), Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

(b) Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and loss during the year in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one year.

Capital work-in-progres

Property, plant and equipment which are not ready for intended use as on the date of Balance sheet are disclosed as 'Capital work-in-progress'.

(c) Depreciation and amortisation

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

The useful lives have been determined based on technical evaluation done by the management experts which are different from the useful life prescribed as per in Part C of Schedule II of Companies Act 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate. The details of estimated life for each category of asset are as under:

(i) Factory buildings– 25 years (previous year useful life considered as 30 years)
(ii) Office premises and Bhiwandi property (previous year useful life considered as 60 years)
(iii) Plant and Machinery – 8 years
(iv) Solar modules – 15 years
(v) Equipments – 5 years
(vi) Vehicles – 8 to 10 years
(vii) Furniture & Fixtures – 10 years
(viii) Computers - 3 years

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

(d) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other Investments are clasified as long term Investments.

Current investments are measured at cost or market value, whichever is lower, determined on an individual investment basis.

The cost of Long term investments comprises acquisition cost and directly attributable acquisition cost. However, provision for dimunition in value is made to recognise a decline other than temporary in the value of investments.

ARVIND BAID & ASSOCIATES F.R.NO.137526W MUMBAI CHARTERED ACCOUNTANTS

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

(e) Inventories

Inventories are stated at lower of cost and net realisable value.
Cost is determined using the 'FIFO' basis and on weighted average basis.
The cost of finished goods and work in progress comprises raw material, packing materials, direct labour, other direct costs and related production overheads.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.
Obsolete stocks when identified and technically determined, are valued at estimated realizable value.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(g) Revenue recoginition

Sale of goods is recognized on transfer of significant risks and rewards of ownership to the buyer, which is generally on the dispatch of goods by the Company and are recognised net of trade discounts and taxes. Service income is recognised on transfer of significant risks and rewards of ownership to the buyer and is accounted based on terms of contract entered into with the respective parties.

Other revenue/ income and cost/expenditure are generally accounted on accrual basis as they are earned or incurred.

(h) Other income

Interest income is accounted on accrual basis.
Dividend income is accounted for when the right to receive it is established. It is probable that the economic benefit associated with the dividend will flow to the Group and the amount of dividend can be reliably measured.
Benefit availed under Advance licence for imports, Duty Drawback and RoDTEP (Remission of Duties or Taxes on Export Products) scheme are recognised as income in the financials when the goods are exported, therefore the Group accounts for the benefit availed only when the goods are actually exported.
Insurance claims are recognised in the financials on receipt basis.

(i) Foreign currency transactions

The functional and presentation currency of the Group is Indian rupee

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Exchange rate difference are recorded when the amount actually paid when expenditure is incurred, is converted into Indian rupees. The exchange differences arising on foreign currency transactions are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rate change. any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

Property, Plant & Equipments purchased are recorded at cost based on the exchange rate as of the date of purchase.

Investments in foreign subsidiaries are recorded in Indian Currency at the rate of exchange prevailing at the time when the original investments were made.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevailing at the date of Balance sheet. In case of items which are covered by forward exchange contracts, the difference between the exchange rate prevailing at the Balance Sheet date and the rate on the day contract is recognized as exchange difference. The resulting difference is also recorded in Profit and loss Account.

(j) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/Liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(k) Gratuity and Leave Encashment

The Group has provided gratuity liability on actuarial basis.

As per Group's policy the unused accumulated leave balance during the year is paid and no employee is entitled to carry forward unused leave hence no provision is required to be made.

ARVIND BAID & ASSOCIATES
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MUMBAI
CHARTERED ACCOUNTANTS

(l) Income tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets, representing unabsorbed depreciation or carried forward losses are recognised, if and only if there is virtual certainty supported by convincing evidence that there will be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

(m) Goods and Service Tax

GST on property, plant & equipments/ raw materials/ stores and spares is accounted by reducing cost of purchase of property, plant & equipment/ raw materials/stores and spares.

(n) Project Expenditure Pending Captalisation

Expenditure incurred on expansion of existing projects and new projects are carried forward and capitalized from commissioning of the relevant projects.

(o) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the Lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of profit and loss on a straight-line basis over the period of the lease.

As a lessor

The Group has leased certain tangible assets and such leases where the Group has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term, which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of profit and loss in the period in which they are incurred.

(p) Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Group. Further, inter-segment revenue has been accounted for, based on the transaction price agreed to between segments, which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group, as a whole, and are not allocable to segments on a reasonable basis, have been included under 'Unallocated corporate expenses/ income'.

(q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(r) Provisions and contingent liabilities

Provisions: Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(s) Other Accounting Policies

Accounting Policies not specifically referred to the above are in consonance with the generally accepted accounting policies.

ARVIND BAID & ASSOCIATES
F.R.NO 137526W
MUMBAI
CHARTERED ACCOUNTANTS

PHOENIX INDUSTRIES LIMITED

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 2- Share capital

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
2,00,00,000 Equity Shares of Rs. 10/- each	2,000.00	2,000.00
(Previous year 2,00,00,000 Equity Shares of Rs.10/- each)		
Issued, Subscribed and Paid up		
2,00,00,000 Equity Shares of Rs. 10/- each	2,000.00	2,000.00
(Previous year 2,00,00,000 Equity Shares of Rs.10/- each, fully paid up)		
Total	**2,000.00**	**2,000.00**

Note 2 (a)- Reconciliation of shares

(Amount in Lakhs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares (In Lakhs)	Rupees	No. of shares (In Lakhs)	Rupees
Equity shares				
Shares outstanding at the beginning of the year	200.00	2,000.00	200.00	2,000.00
Shares outstanding at the end of the year	**200.00**	**2,000.00**	**200.00**	**2,000.00**

Note 2 (b)- Rights, preferences and restrictions attached to shares

The Group has one class of equity shares having a par value of Rs. 10 each. Each Shareholder is eligible for one vote per share held.
The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation , the equity shareholders are eligible to receive the amounts in proportion to their shareholding.

Note 2 (c)- Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

(Amount in Lakhs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares (In Lakhs)	% of holding	No. of shares (In Lakhs)	% of holding
Equity shares				
Shri. Shyam Sunder Sangai	49.70	24.85%	49.70	24.85%
Shri. Ramanand S. Sangai	42.57	21.29%	42.57	21.29%
Shri. Anand S. Sangai	42.29	21.14%	42.29	21.14%
Smt. Anandi Devi Sangai	35.86	17.93%	35.86	17.93%
Smt. Alka A. Sangai	14.60	7.30%	14.60	7.30%
Smt. Salila R. Sangai	14.33	7.16%	13.19	6.59%
Total	**199.35**	**99.68%**	**198.21**	**99.10%**

Note 2 (c)- Shareholder of Promoters

(Amount in Lakhs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares (In Lakhs)	% of holding	No. of shares (In Lakhs)	% of holding
Equity shares				
Shri. Shyam Sunder Sangai	49.70	24.85%	49.70	24.85%
Shri. Ramanand S. Sangai	42.57	21.29%	42.57	21.29%
Shri. Anand S. Sangai	42.29	21.14%	42.29	21.14%
Smt. Anandi Devi Sangai	35.86	17.93%	35.86	17.93%
Smt. Alka A. Sangai	14.60	7.30%	14.60	7.30%
Smt. Salila R. Sangai	14.33	7.16%	13.19	6.59%
Total	**199.35**	**99.68%**	**198.21**	**99.10%**

Note 3- Reserves and surplus

(Amount in Lakhs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
(a) General Reserve				
Balance at the beginning of the year	**69.41**		**69.41**	
Balance at the end of the year		**69.41**		**69.41**
(b) Surplus as per Statement of Profit and Loss				
Balance at the beginning of the year	**7,513.70**		**5,522.86**	
Add: Profit for the year	**3,271.83**		**1,990.84**	
Add: Elimination	**0.09**			
Balance at the end of the year		**10,785.62**		**7,513.70**
Total		**10,855.03**		**7,583.11**

ARVIND BAID & ASSOCIATES
F.R.NO. 137526W
MUMBAI
CHARTERED ACCOUNTANTS

PHOENIX INDUSTRIES LIMITED

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 4- Deferred tax liabilities (net)

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liability on account of:		
Depreciation	-	89.13
Deferred tax assets on account of:		
Accrued retirement compensation to employees	-	30.44
Total	-	**58.70**

Note 5- Long term provisions

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Provision for gratuity [Refer note 32(b)]	92.16	106.39
Total	**92.16**	**106.39**

Note 6- Short term borrowings

(Amount in Lakhs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
(A) Secured borrowings				
From bank [Refer below notes (a) and (b)]				
Working capital loan repayable on demand	1,000.00		2,000.00	
Cash credit facility availed from bank	168.98		737.94	
Buyers credit, Bills discounting etc	3,557.05		369.08	
Others*	-	4,726.03	13.47	3,120.48
(B) Unsecured borrowings				
From related parties [Refer note 29]				
Directors	1,984.96		1,826.40	
Others	687.92	2,672.87	580.63	2,407.03
Total		7,398.90		5,527.51

*The Group had availed vehicle loan from Axis Bank Ltd. @ 7.99%, repayable in 34 EMI of Rs. 0.55 lakh. The above loan outstanding balance as at March 31, 2022 is Nil (March 31, 2021: Rs. 13.46 lakhs).

Notes:

(a) Nature of Security and terms of repayment for short term secured borrowings of Group:

Secured by Exclusive Charge on Hypothecation of all present and future current assets and First Hypothecation on all present and future plant and machinery and movable fixed assets and office premises situated at Udyog Bhavan, Sonawala Road, Goregaon (East) Mumbai and Plot No. 16, Survey No. 328/1/1/2, Masat Industrial Area, Village Masat, U.T. of D & N H, Silvassa and Personal Guarantee of Directors. Interest rate charged by the bank on borrowings was MCLR + 0.30 percent p.a. for cash credit facility and LIBOR + 1.50 percent p.a for buyers credit facility. There is no default in terms of repayment of principal and interest.

(b) Guarantees given by banks to third parties amounting to Rs. 212.69 lakhs (March 31, 2021: Rs. 130.47 lakhs) on behalf of the Group are secured against securities mentioned in (a) above.

Note 7- Trade payables

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to micro, small and medium enterprises (Refer note (a) below)	4.99	1.34
Others	506.44	298.48
Total	511.43	299.82

As At 31st March 2022

Ageing Schedule	MSME	Others	Disputed Dues	Disputed Dues - Others
Less Than 1 Year	4.99	50.64	-	-
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	4.99	50.64	-	-

As At 31st March 2021

Ageing Schedule	MSME	Others	Disputed Dues	Disputed Dues - Others
Less Than 1 Year	1.34	298.48	-	-
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	1.34	298.48	-	-

PHOENIX INDUSTRIES LIMITED

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note:

(a) The Group has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act under Section 22 is as under:

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due remaining unpaid to supplier as at the end of accounting year.	4.99	1.34
Interest due remaining unpaid to supplier as at the end of accounting year.	-	-
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid).	-	-
Amount of interest accrued and remaining unpaid at the end of the	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	**4.99**	**1.34**

This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Group.

Note 8- Other current liabilities

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Rent deposit	10.49	5.69
Employees benefits payables to:		
related parties [Refer note 29]	83.42	82.86
others	53.60	49.19
Advance received from customers	30.31	16.55
Statutory dues	31.79	19.59
Interest accrued but not due on borrowings	17.30	14.05
Total	**226.90**	**187.92**

Note 9- Short term provisions

(Amount in Lakhs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Provision for gratuity [Refer note 32(b)]	33.58	14.71
Provision for income tax [Refer below note (a) and note 12]	-	-
Provision for expenses [Refer below note (b)]	403.03	18.89
Total	**436.62**	**33.60**

Note:

(a) Provision for income tax is net of advance tax (Provision for Income tax Rs. 1227.90 lakhs and Advance tax (including TDS) Rs. 1282.46 lakhs).

(b) Provision for expenses includes Rs. 365.27 lakhs towards Provision for advance licence duty including interest .

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Note 10- Property, plant and equipment

(Amount in Lakhs)

Particulars	Gross Block at cost				Depreciation and amortisation				Net Block	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deletions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Freehold Land	404.52	-	-	404.52	-	-	-	-	404.52	404.52
Factory Building	444.93	153.68	-	598.61	77.34	18.98	-	96.32	502.29	367.59
Office Premises	448.51	-	-	448.51	46.71	7.09	-	53.80	394.72	401.80
Bhiwandi Property	277.22	-	-	277.22	5.11	4.38	-	9.49	267.73	272.11
Plant & Equipments	944.33	232.94	41.94	1,135.33	556.95	103.89	28.09	632.75	502.58	387.38
Solar Modules	11.83	1.70	-	13.53	0.31	0.85	-	1.16	12.36	11.52
Electrical Installation	29.89	-	-	29.89	15.08	2.84	-	17.92	11.98	14.82
Equipments	109.53	10.02	-	119.55	92.59	6.69	-	99.28	20.26	16.93
Furniture & Fixtures	45.73	6.82	-	52.56	19.29	3.11	-	22.39	30.16	26.45
Vehicles	194.86	3.79	3.33	195.32	87.78	19.89	3.17	104.49	90.83	107.09
Computers	13.29	7.05	-	20.35	10.34	2.30	-	12.63	7.71	2.96
Total	2,924.65	416.01	45.27	3,295	911.49	170.01	31.26	1,050.24	2,245.15	2,013.15
Previous Year Total	2,467.99	4,698.15	13.16	2,924.65	757.92	166.50	12.93	911.50	2,013.15	1,710.07

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Note 11- Deferred tax assets

(Amount in Rs.'Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets on account of:		
Accrued retirement compensation to employees	153.84	-
Deferred tax liability on account of:		
Depreciation	96.65	-
Total	57.19	-

Note 12- Long term loans and advances

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Advance Income tax (net of provisions) [Refer below note (a) and note 9]	82.84	31.59
Security deposits	15.28	9.76
Total	98.12	41.35

Notes-

(a) The following table provides the details of income tax assets and liabilities:

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (including Tax deducted at source)	2,154.37	871.59
Provision for income tax	(2,071.53)	(840.00)
Total	82.84	31.59

Note 13- Other non-current assets

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Prepaid expenses	3.08	4.35
Balances with sales tax authorities	4.56	4.56
Total	7.64	8.91

Note 14- Inventories

(Valued at lower of cost or net realisable value)

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	1,794.45	1,549.83
Stock in transit	648.73	343.49
Finished goods	1,754.55	1,007.58
Stock-in-trade	3,214.66	1,066.70
Ashes and residues	8.63	30.42
Stores, spares, parts etc.	17.68	6.78
Total	7,438.70	4,004.80

Note 15- Trade Receivables

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	78.38	392.99
Unsecured, considered doubtful	71.88	-
Less: Provision for doubtful debts	(71.88)	-
	78.38	392.99
Trade receivables outstanding for less than six months from the date they are due for payment		
Secured, considered good	923.01	706.67
Unsecured, considered good	8,608.40	6,510.80
	9,531.41	7,217.47
Total	9,609.78	7,610.46

As At 31st March 2022

Ageing Schedule	MSME	Others	Disputed Dues	Disputed Dues -Others
Less Than 1 Year	-	9,459.52	71.88	-
1-2 Years	-	78.38	-	-
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	-	9,537.90	71.88	-

As At 31st March 2021

Ageing Schedule	MSME	Others	Disputed Dues	Disputed Dues -Others
Less Than 1 Year	-	6,964.36	253.11	-
1-2 Years	-	392.99	-	-
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	-	7,357.35	253.11	-

Note 16- Cash and cash equivalents

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	1.22	1.89
Balances with banks in current accounts	71.85	49.58
Fixed deposits with maturity of more than three months and less than twelve months	24.97	17.58
Total	98.05	69.05

Note 17- Short term loans and advances

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Loans and advances to employees	20.81	9.90
Advances given to suppliers		
related parties [Refer note 29]	66.04	-
others	809.98	1,817.29
Interest accrued but not due on fixed deposits	0.29	0.09
Interest receivable from related party [Refer note 29]	0.68	-
Rent receivable from related party [Refer note 29]	0.12	-
Others	0.74	-
Total	898.66	1,827.28

Note 18- Other current assets

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Prepaid expenses	5.76	5.63
Balance with Customs authorities	94.18	23.29
Balances with GST authorities	967.82	193.14
Total	1,067.76	222.06

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Note 19- Revenue from operations (net)

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of goods		
Domestic	91,092.93	48,123.80
Export	6,079.97	1,860.33
Other operating revenue		
Sale of scraps and others	136.64	56.60
Total	97,309.54	50,040.73

Note:-

(a) Details of sale of goods (net):

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Manufactured goods				
Aluminium alloys	28,006.44		14,727.88	
Zinc alloys	22,041.54		13,123.31	
Copper	-		103.71	
Zinc bismuth	-		2.48	
Ashes and residues	136.64	50,184.62	56.60	28,014.00
Traded goods				
Aluminium ingots	4,592.36		1,839.34	
Aluminium scraps	316.14		113.19	
Aluminium alloys	178.06		136.18	
Zinc alloys	25,564.49		9,271.16	
Zinc ingots	14,266.12		9,420.64	
Zinc scraps	119.38		39.84	
Silicon	603.55		122.68	
Lead	767.56		505.56	
Copper	635.15		409.31	
Others	82.09	47,124.92	168.85	22,026.73
Total		97,309.54		50,040.73

Note 20- Other income

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest received [Refer note 29]	59.80	27.23
Foreign currency fluctuation gain (net)	63.59	8.41
Profit on sale of Property, plant & equipments	0.26	0.71
Dividend received on Mutual funds	-	0.58
Insurance claims received	-	37.15
Provision of gratuity no longer required and written back	-	272.57
Duty drawback and export incentives	0.28	1.54
Short term gain on redemption of Mutual funds	7.19	7.81
Rent income [Refer note 29]	18.19	16.85
Derivative income	14.15	-
Miscelleneous income	10.80	13.15
Total	174.26	386.01

Note 21- Cost of materials consumed

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock (excluding in transit)	1,550	1,283
Add: Purchases during the year	44,471	24,555
Less: Closing stock (excluding in transit)	(1,794.45)	(1,549.83)
Total	44,226.25	24,287.95

Note:-

(a) Details of raw material consumptions:

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Aluminium scraps	17,421.87	10,762.45
Zinc ingots	16,649.69	11,573.79
Aluminium ingots	2,860.82	617.08
Others	6,211.34	713.24
Expenses	1,082.53	621.39
Total	44,226.25	24,287.95

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Note 22- Purchases of stock-in-trade

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchases of stock-in-trade	46,444.33	20,820.77
Total	**46,444.33**	**20,820.77**

Note:-

(a) Details of purchases of stock in trade:

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Zinc alloys	26,259.77	8,406.35
Zinc ingots	13,578.96	9,149.74
Aluminium alloys	86.74	104.83
Aluminium ingots	4,283.10	1,745.46
Copper	619.18	379.93
Lead	673.42	468.26
Silicon	508.90	109.85
Others	434.27	456.35
Total	**46,444.33**	**20,820.77**

Note 23- Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Opening stock				
Finished goods	1,007.58		591.58	
Stock in-trade (excluding in transit)	1,066.70		958.82	
Ashes & residues	30.42	2,104.70	26.48	1,576.88
Closing stock				
Finished goods	1,754.55		1,007.58	
Stock-in-trade (excluding in transit)	3,214.66		1,066.70	
Ashes & residues	8.63	4,977.84	30.42	2,105
Total		**(2,873.15)**		**(527.81)**

Note 24- Employee benefit expenses

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages, and bonus [Refer note 29]	889.75	724.09
Contribution to provident and other funds [Refer note 32(a)]	16.47	36.61
Contribution to gratuity [Refer note 32(b)]	8.46	-
Staff welfare expenses	21.70	19.48
Total	**936.38**	**780.18**

Note 25- Finance costs

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest paid on		
Working capital loan from banks	154.88	8.53
Unsecured loan from directors and related parties [Refer note 29]	249.12	344.66
Others [Refer note (a) below]	223.80	41.01
Finance charges	28.07	21.48
Total	**655.87**	**415.69**

Note:

(a) Interest others includes Rs. 178.31 lakhs towards Interest on advance licence duty provision.

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Note 26- Other expenses

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manufacturing and other expenses (Refer notes (a) below)	1,810.86	946.15
Freight and forwarding charges	852.57	473.70
Office and factory expenses	57.15	33.26
Rent expenses	23.42	24.86
Rates and taxes	20.94	14.99
Insurance	25.65	19.35
Travelling, conveyance and vehicle expenses	42.20	33.86
Printing and stationery expenses	5.96	3.57
Legal and professional fees	89.26	93.99
Telephone, postage and courier expenses	7.59	7.31
Remuneration to auditors [Refer notes (b) below]	2.76	2.76
Commission on sales	51.58	13.71
Commission on MOSL	1.88	1.68
Assets written off	13.84	-
Bad debts written off	181.23	-
Provision for doubtful debts	71.88	-
Provision for advance licence duty	186.96	-
Derivative expenses (net)	16.89	94.02
Charities & donation	0.28	0.14
Contribution for corporate social responsibility [Refer note 36]	38.93	32.00
Bank charges	4.65	6.87
Miscellaneous expenses	30.06	9.87
Total	**3,537**	**1,812**

Notes:-

(a) Manufacturing and other expenses

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spare parts	290.62	107.10
Power and fuel consumed	997.20	544.95
Repairs and maintenance to machinery	41.17	25.90
Repairs and maintenance to buildings	98.00	26.38
Repairs and maintenance to others	92.12	34.16
Other manufacturing expenses	291.74	207.66
Total	**1,810.86**	**946.15**

(b) Payment to Statutory Auditors (excluding taxes)

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory audit fees	1.76	1.76
Tax audit fees	1.00	1.00
Total	**2.76**	**2.76**

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Note 27(a)- Details of C.I.F. value of imports (including in-transit)

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw materials and traded goods	55,030.00	25,825.34
spares, etc.	-	0.75
Total	55,030.00	25,826.08

Note 27(b)- Details of expenditure in foreign currency

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Foreign travelling expenses	4.3	3.7
Commission	2.2	3.1
Legal expenses	22.3	35.7
Training and other expenses	1.2	-
Total	29.9	42.4

Note 28- Details of earnings in foreign currency

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
F.O.B. value of exports (net)	60,79,96,826	18,60,32,788
Total	60,79,96,826	18,60,32,788

Note 29- Related Parties Disclosure

As per AS 18 related party disclosure, related parties and transactions with them in the ordinary course of business are disclosed below:

(I) List of related parties and relationship:

Relationship	Name of the Persons/ Group
(i) Entity controlled by directors:	Sangai Foundation
	Sangai & Associates Medical & Research Centre
	Phoenix Alliance Private Limited
(ii) Key management personnel:	Mr. Shyam Sunder Sangai, Chairman
	Mr. Ramanand S. Sangai, Director
	Mr. Anand S. Sangai, Director
	Mr. Amit R. Sangai, Director
	Mr. K. S. Jhunjhunwala, Independent Director
	Mr. L. K. Gangadharan, Independent Director
(iii) Other related parties:	Mrs. Anandi Devi Sangai, relative of directors
	Mrs. Salila R. Sangai, relative of directors
	Mrs. Alka A. Sangai, relative of directors
	Mr. Ashish A. Sangai, relative of directors
	Ms. Aashna R. Sangai, relative of directors

(II) Transactions during the year:

(Amount in Rs.Lakhs)

Description of the nature of transactions	Year ended March 31, 2022	Year ended March 31, 2021
Rent income		
-Entity controlled by directors		
Phoenix Alliance Private Limited	0.12	0.12
	0.12	0.12
Interest received		
-Entity controlled by directors		
Phoenix Alliance Private Limited	0.75	-
	0.75	-
Interest paid on unsecured loans		
-Key management personnel		
Mr. Shyam Sunder Sangai	48.83	67.19
Mr. Ramanand S. Sangai	74.25	109.55
Mr. Anand S. Sangai	66.55	84.61
Mr. Amit R. Sangai	1.02	0.34
-Other related parties		
Mrs. Anandi Devi Sangai	28.99	44.10
Mrs. Salila R. Sangai	6.46	10.66
Mrs. Alka A. Sangai	0.04	0.06
Mr. Ashish A. Sangai	5.88	7.28
Ms. Aashna R. Sangai	17.10	20.87
	249.12	344.66
Employee benefit expenses [Refer below notes (a)]		
-Key management personnel		
Mr. Shyam Sunder Sangai	119.33	124.23
Mr. Ramanand S. Sangai	131.49	118.87
Mr. Anand S. Sangai	131.49	118.87
Mr. Amit R. Sangai	116.28	76.71
-Other related parties		
Mrs. Alka A. Sangai	11.17	9.39
Mr. Ashish A. Sangai	9.01	8.30
	518.77	456.37
Legal and professional fees		
-Other related parties		
Mrs. Salila R. Sangai	22.92	21.20
	22.92	21.20

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(III) Amount outstanding at the year end:

(Amount in Rs.Lakhs)

Description of the nature of transactions	As at March 31, 2022	As at March 31, 2021
Unsecured borrowings [Refer below notes (b)]		
-Key management personnel		
Mr. Shyam Sunder Sangai	394.93	441.50
Mr. Ramanand S. Sangai	8,464.52	789.50
Mr. Anand S. Sangai	7,227.42	586.40
Mr. Amit R. Sangai	318.35	9.00
-Other related parties		
Mrs. Anandi Devi Sangai	3,274.62	303.10
Mrs. Salila R. Sangai	802.08	64.80
Mrs. Alka A. Sangai	43.79	0.10
Mr. Ashish A. Sangai	707.56	51.83
Ms. Aashna R. Sangai	205.11	160.80
	21,438.37	2,407.03
Employees benefits payables		
-Key management personnel		
Mr. Shyam Sunder Sangai	16.07	20.71
Mr. Ramanand S. Sangai	29.88	19.58
Mr. Anand S. Sangai	18.12	19.58
Mr. Amit R. Sangai	16.65	12.84
-Other related parties		
Mrs. Alka A. Sangai	1.60	1.22
Mr. Ashish A. Sangai	1.08	8.91
	83.42	82.86
Rent receivable		
-Entity controlled by directors		
Phoenix Alliance Private Limited	0.12	-
	0.12	-
Rent receivable		
-Entity controlled by directors		
Phoenix Alliance Private Limited	0.68	-
	0.68	-
Advances given to related parties		
-Entity controlled by directors		
Phoenix Alliance Private Limited	35.0	-
	35.0	-

Notes:

(a) Excludes gratuity provided on the basis of actuarial valuation on an overall company basis.

(b) The Company holds and has renewed/ accepted "Deposits" from directors and their relatives amounting to Rs. 2,672.87 Lakhs as at March 31, 2022 (As at 31.03.2021 - Rs. 2,407.03 Lakhs). The same are accepted/ maintained as per the terms of sanctioned letter no. 85747505 dt. 20-09-2021 of HDFC Bank Ltd. In view of the exemption available under clause (xiii) of the Rule 2 of Companies (Acceptance of Deposits) Rules, 2014, the same are considered in compliance with Section 73 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014.

(c) All the above transactions with related parties are net of Goods and Service Tax.

(d) Related party relationship is as identified by the Company and relied upon by the auditors.

Note 30- Earnings per share

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax for the year (Rs.)	3,272	1,991
Profit attributable to equity share holders (Rs.)	3,272	1,991
Weighted average number of equity shares outstanding during the year	2,00,00,000	2,00,00,000
Basic and diluted earnings per share (Rs.)	16.36	9.95
Face value per share (Rs.)	10.00	10.00

Note 31- Contingent liabilities not provided for

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Bank guarantees	212.7	130.5
(b) GST under appeal (Gujarat)	18.8	-

Future cash outflows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. The Management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognised in the financial statements.

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Note 32- Employee Benefits

The disclosures required as per Accounting Standard 15 - Employee Benefits (Revised 2005), are as under:

Brief description of the plans:

The Group has defined contribution plan for its employees' retirement benefits comprising of provident fund, employees' state insurance fund which are recognized by the Income tax authorities. The Group and eligible employees make monthly contributions to the provident fund equal to specified percentage of the covered employees' salary. The Group also contributes to employees' state insurance fund and has no further obligation to the plan beyond its monthly contribution.

(a) Defined Contribution Plan:

(i) Provident fund

(ii) Employees State Insurance fund

During the year, the Group has recognised the following amounts in the Statement of profit and loss*:

Contribution to Defined Contribution Plan, recognized as expense for the year is as under: **(Amount in Rs.Lakhs)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to provident fund	16.24	36.57
Employer's contribution to employees state insurance fund	0.23	0.05
Total	**16.47**	**36.61**

* included in Note 24- 'Employee benefits expenses'

(b) Defined Benifit Plan:

The Company has defined benefit plan comprising of Gratuity. The benefits are based on final salary and cost of the benefit is entirely borne by the Company. The benefits of the scheme are paid in accordance with the Payment of Gratuity Act, 1972 with a monetary limit of Rs. 20.00 Lakhs.

As a result, following actuarial valuation of the gratuity liability is determined as on March 31, 2022: **(Amount in Rs.'Lakhs)**

	As at March 31, 2022	**As at March 31, 2021**
Defined benefit obligation	**Rs. 125.44/-**	**Rs. 120.93/-**
Funding status	**Unfunded**	Unfunded
Fund balance	**N.A**	N.A
Recognised under provisions [Refer note 5 and note 9]		
Current liability	**Rs. 33.58/-**	**Rs. 14.71/-**
Non-current liability	**Rs. 91.85/-**	**Rs. 106.22/-**
Recognised under the statement of profit and loss [Refer note 24 and note 20]		
Contribution to gratuity	**Rs. 8.45/-**	-
Provision of gratuity no longer required and written back**	-	**Rs. 272.56/-**
<u>Valuation assumptions:</u>		
(i) Financial assumptions		
Salary escalation rate	**8.00% p.a.**	8.00% p.a.
Discount rate	**6.84% p.a. (Indicative G.Sec referenced on 31-03-2022)**	6.49% p.a. (Indicative G.Sec referenced on 31-03-2021)
(ii) Demographic assumptions		
Mortality rate	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition rate	**10.00% p.a. for all service groups**	10.00% p.a. for all service groups
<u>Valuation inputs:</u>		
Retirement Age	**60, 65 & 85 years**	60, 65 & 85 years
Vesting Period	**5 years**	5 years

**The liability for gratuity is determined on the basis of an independent actuarial valuation done at the year end. The liability is computed based on current salary levels projected to the probable due date. The method employed is projected unit credit method.

During the previous financial year, the Group was providing the gratuity liability on "Actuarial Basis". In view of the same, the difference between "Actual" and "Actuarial", amounting to Rs. 272.57 Lakhs had been written back to profit and loss account statement in financial year 2020-21.

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PHOENIX INDUSTRIES LIMITED

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 33- Segment reporting

The Company's chief financial officer (CFO) examines the Company's performance and has identified two reportable segments of its business which as follows:

(i) Manufacturing and,
(ii) Trading

The above operating segments have been identified considering:
(i) The internal financial reporting systems
(ii) The nature of the products/ process
(iii) The organisation structure as well as differential risks and returns of these segments.

Types of products and services in each business segment:

Business Segment	Types of products and service
(i) Manufacturing	Manufacturers of non-ferrous metal alloys like Aluminium alloys, Zinc alloys, Copper, Ashes & residues from Village Masat, U.T. of D & N H, Silvassa.
(ii) Trading	Trading of non-ferrous metal alloys like Aluminium ingots, Zinc ingots, Aluminium scraps, Zinc scraps, Copper scraps, Aluminium alloys, Zinc alloys, Copper, Silicon, Lead, Magnesium etc. item from various depo i.e, Maharashtra, Gujarat, Chennai, West Bengal and Chattisgarh.

Revenue and expenses have been accounted on the basis of their relationship to the operating activities of the segment.

Expenses, which related to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable income" and "Unallocable expenses" respectively.

Assets and liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable assets /liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

(A) Business Segment

(Amount in Rs.)

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	External	Inter Segment	Total	External	Inter Segment	Total
1. Segment revenue						
Manufacturing	51,562.93	(1,378.27)	50,184.66	28,719.34	(705.34)	28,014.00
Trading	50,933.09	(3,808.21)	47,124.89	24,184.27	(2,157.54)	22,026.73
Total revenue	**1,02,496.02**	**(5,186.47)**	**97,309.54**	**52,903.61**	**(2,862.88)**	**50,040.73**
2. Segment results						
Manufacturing			2,605.1			1,882.0
Trading			1,804.0			569.7
Unallocable			(130.35)			219.7
Total segment results			4,278.7			2,671.4
Exceptional items (loss)			-			-
Profit before tax			4,279			2,671
Tax expenses			(1,088.17)			(680.53)
Net profit after tax			3,190.56			1,990.84
3. Capital expenditure						
Manufacturing			369.43			299.74
Unallocable			6.84			170.08
Total capital expenditure			376.28			469.81
4. Depreciation and amortisation						
Manufacturing			138.42			136.62
Unallocable			48.90			29.88
Total depreciation and amortisation			187.32			166.50

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Note 33- Segment reporting

(Amount in Rs.Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other information		
5. Segment assets		
Manufacturing	13,045.39	10,765.96
Trading	7,436.04	4,076.65
Unallocable	1,007.26	954.45
Total segment assets	**21,488.68**	**15,797.06**
6. Segment liabilities		
Manufacturing	4,863.21	3,384.53
Trading	3,797.48	2,729.27
Unallocable	54.31	100.15
Total segment liabilities	**8,715.00**	**6,213.95**
7. Segment capital employed		
Manufacturing	8,182.17	7,381.43
Trading	3,638.57	1,347.39
Unallocable	952.94	854.30
Total segment capital employed	**12,773.68**	**9,583.11**

(B) Geographical Segment

Revenue from external customers

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Within India	91,229.57	48,180.40
Outside India	6,079.97	1,860.33
Total	97,309.54	50,040.73

Domestic Segment includes sales and services rendered to customers in India.

Overseas Segment includes sales and services rendered to customers located outside in India.

Non-current assets:

The following are the details of the carrying amount of non current assets, which do not include deferred tax assets, income tax assets, financial assets and investments, of the geographical area in which the assets are located:

(Amount in Rs.Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Within India	2,268.07	2,031.82
Outside India	-	-
Total	2,268.07	2,031.82

(C) Other disclosures

1. The Company is currently focused on two business segments : Manufacturing and Trading. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.

2. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

3. The geographical information considered for disclosure are:
(i) Sales within India.
(ii) Sales outside India.

4. The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer..

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Note 34- Disclosure in respect of derivative instruments

Foreign currency exposures that are not hedged by derivative instruments.

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		In Foreign Currency ('Lakhs)	Rupees (in Lakhs)	In Foreign Currency	Rupees (in Lakhs)
(i) Trade receivables	USD	6	438	-	-
(ii) Trade payables	USD	1	78	-	-

Note 35- Quantitative and Turnover information
(As certified by the directors of the Company)

(A) Detailed information regarding Registered Capacity, Installed Capacity, Actual Production, Opening stocks, Turnover and Closing stocks

(Amount In Lakhs)

Particulars	Unit	Annual Registered Capacity	Annual Installed Capacity	Annual Production Quantity	Opening stocks		Turnover		Closing stocks	
					Qty	(Rupees)	Qty	(Rupees)	Qty	(Rupees)
Non-ferrous metals										
Manufacturing	M.tonnes	0.2870 0.2870	0.2509 0.2194	224.4163 0.1597	0.0055 0.0039	1,007.58 (602.04)	0.2233 0.1676	50,184.62 (28,014.00)	0.0065 0.0055	1,754.55 (1,007.58)
Trading	M.tonnes	- -	- -	- -	0.0064 0.0057	1,066.70 (980.37)	0.1756 0.1080	47,124.92 (22,026.73)	0.0127 0.0064	3,214.66 (1,066.70)

Figures in bracket indicate figures relating to the previous year.

(B) i. Turnover quantity is derived on the basis of opening stock plus production and purchases for trading activity, less physical quantities of closing stock.
ii. Annual Installed capacity in Note 35(A) above is as certified by the directors, and being a technical matter, is accepted by the auditors as correct.

(C) Details of raw materials & components materials consumed:

(Amount In Lakhs)
(Qty In Lakhs)

Particulars	Unit	Year ended March 31, 2022		Year ended March 31, 2021	
		Qty	(Rupees)	Qty	(Rupees)
Aluminium scraps	M. Tonnes	0.1231	17,421.87	0.1140	10,762.45
Zinc ingots	M. Tonnes	0.0924	16,649.69	0.0627	11,573.79
Aluminium ingots	M. Tonnes	0.0115	2,860.82	0.0053	617.08
Others:					
Miscellaneous	M. Tonnes	0.0245	7,327.18	0.0253	1,334.63
Total		0.2515	44,259.56	0.2074	24,287.95

(D) Value of imported and indigenous raw materials and components consumed and % thereof to total value of consumption:

(Amount In Lakhs)
(Qty In Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	(Rupees)	%	(Rupees)	%
Imported	27,980.38	63.22	14,512.93	59.75
Indigenous	16,279.18	36.78	9,775.03	40.25
Total	44,259.56	100.00	24,287.95	100.00

(E) Value of imported and indigenous stores and spare-parts consumed and % thereof to total value of consumption:

(Amount In Lakhs)
(Qty In Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	(Rupees)	%	(Rupees)	%
Imported	-	-	0.75	0.70
Indigenous	290.62	100.00	106.35	99.30
Total	290.62	100.00	107.10	100.00

Note 36- Corporate Social Responsibility:

The Company has formed a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Company is required to spend Rs. 38.60 Lakhs as per Section 135(5). However, the Company has spent Rs. 38.93 Lakhs on the activities mentioned in Schedule VII to the Companies Act, 2013.

(Amount In Lakhs)

Details of CSR spent during the financial year 2021-22:	2021-2022	2020-2021
i) Amount required to be spent during the year	38.60	32.00
ii) Amount spent during the year on through Implementation agency (Manner in which the amount spent during financial year 2021-22 is detailed below:-)	38.93	32.00
iii) There is no excess expenditure done which needs to be carry forward		
iv) The company does not have any ongoing projects as on 31st March, 2022		

(Amount In Lakhs)

CSR project or activity identified	Sector in which project is covered	Mode of implementation - Through implementing agency	Spent Amount
Education for children welfare	Promoting education for poor & needy	Through implementing agency Shree Satsang Sadan	37.00
New shade for shamshan ghat	Rural development projects	Through implementing agency Saraswati Enterprises	1.93
Total			38.93

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PHOENIX INDUSTRIES LIMITED

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Note 37- Lease rental

The Company has significant lease arrangement in respect of office premises given on lease. The aggregate amount of rent credited to statement of profit and loss account during the year is Rs. 18.19 Lakhs (Previous year Rs. 16.85 Lakhs). [Refer note 20]

(Amount In Lakhs)

(Qty In Lakhs)

Particulars	Minimum lease payments	
	As at March 31, 2022	As at March 31, 2021
Amount due within one year	14.82	12.52
Amount due from one year to three years	17.30	5.06
Total	32.12	17.57

Note 38- Lease arrangements- Operating lease

The Company's significant leasing arrangements are in respect of residential flats and office premises. The aggregate amount of operating lease rent debited to statement of profit and loss during the year is Rs. 23.41 Lakhs (Previous year Rs. 24.86 Lakhs). [Refer note 26]

(Amount In Lakhs)

(Qty In Lakhs)

Particulars	Minimum lease payments	
	As at March 31, 2022	As at March 31, 2021
Amount due within one year	9.01	10.31
Amount due from one year to three years	5.30	9.55
Amount due from three years and above	-	0.41
Total	14.31	20.26

Note 39- The figures for the previous year are regrouped/ re-arranged, wherever necessary.

Note 40:
Silicon metal sale and purchase during the period June 2021 to January 2022. During this period silicon sale and purchase has taken place at different prices with considerable volatility between sales and purchase prices. Same has been checked with documents and it is found to be in order.

Note 41- The figures for the previous year are regrouped/ re-arranged, wherever necessary.

PHOENIX INDUSTRIES LIMITED

Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 42 :Additional Regulatory Information (Continued..)

I) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

II) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

III) Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2022	Relationship with the Struck off company
Nil			

IV) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

V) 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 sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(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 person(s) or entity(ies), including foreign entities ("Funding Party") 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 on behalf of the Ultimate Beneficiaries,

VI) Undisclosed Income : The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

VII) Details of Crypto Currency or Virtual Currency : The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

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Significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022

Note 43: Whistle blower

Subsequent to the year ended March 31, 2022, few complaints have been received from a whistle blower regarding certain transactions entered into during the financial year ended March 31, 2022. The Board of Directors of the Company has taken note of the said complaint and the matters identified therein are dealt as follows:

Reorganisation of Expenses:

During the current year some of the payments made by the Company were personal in nature like purchase of gold, silver, gift article and advance payment made towards booking of hall (Reliance Industries -JIO). All identified payments have been debited to personal account of respective director(s).

Capitalizations or Revenue Recognition:

During the current year there were some expenses of capital nature which were accounted as revenue expenses. The same has been duly capitalised post detailed verification of the nature of expenses in line with Accounting Standard issued by the Institute of Chartered Accountants of India and related guidelines under the Companies Act.

Purchase and Sale of Silicon

There was a concern raised on the purchase and sale price of Silicon particularly in the month of November 2021. In the given instances, the import purchases made by the Company are backed by confirmed sale orders received from customers. The imported Silicon metal which landed in the month of November 2021 was purchased in the month of July 2021 basis confirmed sale orders received from Customers and was supplied at the agreed prices. However, there was an unprecedented increase in Silicon metal prices during the interim period of July 2021 to November 2021 which is corroborated by information available in public domain. However, the Company supplied Silicon to its customers at the agreed prices instead of backing out of its commitment as the purchase was also made at the prices prevailing in July 2021, thus ensuring that there was no loss to the Company and its long-term business relations with the Customers does not suffer.

Domestic purchase of metal is done at the prevailing market prices in the ordinary course of business and in November 2021 also the domestic purchases were done at the prevailing market prices. The purchases in the identified cases were done from a few customers to whom we have sold the imported metal. This was done because we were ensured of the quality & saleability of the material. Also, there was acute shortage of material in the market during this period and this material was readily made available to us.

The accompanying notes form an integral part of the consolidated financial statements

This is a summary of significant accounting policies and other explanatory information referred to in our other report of even date.

For Arvind Baid & Associates
Chartered Accountants
Firm Registration No.: 0137526W

ARVIND BAID & ASSOCIATES F.R.NO. 137526W MUMBAI CHARTERED ACCOUNTANTS

Arvind Baid
(Partner)
Membership No.: 155532

Place: Mumbai
Date: 13/12/2022

For and on behalf of the Board of Directors

R. S. Sangai

Ramanand S. Sangai
Director
DIN: 00036589

Amit R. Sangai
Director
DIN: 07336186

Place: Mumbai
Date: 7/12/2022