

SAINIK FINANCE & INDUSTRIES LIMITED

Regd. Office- 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi - 110035
Corporate Office: 7th Floor, Corporate Office Tower, Ambience Mall, N.H.48, Grurugram-122002
E-mail: info@sainik.org Website: www.sainikfinance.com CIN: L26912DL1991PLC045449
Telephone No.-011-28315036/0124-2719000 Fax No.-011-28315044/ 0124-2719100

Dated- 29th July, 2022

To,
The Manager- Listing
BSE Limited
25th Floor, P.J. Towers,
Dalal Street, Mumbai- 400 001

Sub: Outcome of Board Meeting and submission of Audited Financial Results of the Company for the quarter / year ended 31st March, 2022 (Scrip Code 530265)

Dear Sir,

Pursuant to regulation 30 & 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company at their meeting held on 29th July, 2022 have:

- a) Considered and approved the Audited Financial Results of the Company for the quarter ended on March 31, 2022 and for financial year ended March 31, 2022 alongwith Statement of Assets & Liabilities and Cash Flow Statement of the Company as at March 31, 2022; and
- b) Taken on record the Auditors' Report submitted by the Statutory Auditors on thereon.
- c) Mr. Nikhil Sukhija, Company Secretary of the Company, designated as Key Managerial Personnel of the Company with effect from 29th July 2022.

Further, pursuant to Regulation 33 of the SEBI (listing Obligations & Disclosure Requirements) Regulation, 2015, we are enclosing herewith the following:

- 1) Audited Financial Results for the quarter / year ended March 31, 2022 along with Statement of Assets and Liabilities and Cash Flow Statement of the Company for the year ended March 31, 2022.
- 2) Independent Auditors' Report on Audited Financial Results for the quarter / year ended March 31, 2022.
- 3) Declaration for Un-Modified Opinion in respect of Audit Report on Audited Financial Results for the year ended March 31, 2022.

The meeting commenced at 01.10 PM and concluded at 7.00 PM.

Kindly take the same on your record for the Company.

Thanking You,
Yours faithfully,
For Sainik Finance & Industries Limited


Nikhil Sukhija
Company Secretary
Encl.: As above



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Dated 29th July, 2022

To,
The Manager (Listing),
BSE Limited
25th Floor, P.J. Tower,
Dalal Street, Mumbai-400 001

Sub: Declaration in respect of Audit Report with unmodified opinion for the Financial Year ended March 31, 2022 (Scrip Code: 530265)

Dear Sir,

In terms of the provisions of Regulations 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification dated 25th May, 2016 read with SEBI's Circular no. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that the Statutory Auditors of the Company, M/s. VPGS & Co., Chartered Accountants, (ICAI Firm Reg. No.507971C) have issued Audit Report with unmodified opinion on the Audited Financial Results of the Company for the financial year ended March 31, 2022.

Kindly take the same on your record for the Company.

Thanking You,
Yours faithfully,
For Sainik Finance & Industries Limited



Nikhil Sukhija
Company Secretary



SAINIK FINANCE & INDUSTRIES LIMITED

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 Corp. off.:7th Floor, Office Tower, Ambience Mall, NH-8, Gurugram (Haryana)-122001, Ph.:124-2719000, Fax:-0124-2719100
 CIN: L26912DL1991PLC045449, Website : www.sainikfinance.com, Email : info@sainik.org, legalesecretarial@sainikmining.com

(Rs. in lakhs)

Statement of Financial Results for the quarter and year ended March 31, 2022

S.No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2022 (Audited)	December 31, 2021 (Reviewed)	March 31, 2021 (Audited)	March 31, 2022 (Audited)	March 31, 2021 (Audited)
	Revenue from operation					
(i)	Interest income	(129.26)	581.86	25.04	1,562.02	2,078.63
(I)	Total revenue from operations	(129.26)	581.86	25.04	1,562.02	2,078.63
(II)	Other income	18.04	0.01	0.34	18.30	403.89
(III)	Total Income (I+II)	(111.22)	581.87	25.38	1,580.32	2,482.52
	Expenses					
(i)	Finance costs	439.70	435.66	371.30	1,767.30	1,683.94
(ii)	Employee benefits expense	19.48	22.55	15.01	70.21	62.29
(iii)	Depreciation & amortisation	-	-	(0.02)	-	0.34
(iv)	Impairment of financial instruments	431.16	95.00	692.03	621.58	834.53
(v)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	-	-	-	-	-
(vi)	Other expenses	21.63	4.13	17.65	43.21	58.26
(IV)	Total Expenses	911.97	557.34	1,095.97	2,502.30	2,639.36
	Profit/(Loss) before exceptional items	(1,023.19)	24.53	(1,070.59)	(921.98)	(156.84)
	Exceptional items	-	-	-	-	-
(VII)	Profit from operations before extraordinary items and tax (3-4)	(1,023.19)	24.53	(1,070.59)	(921.98)	(156.84)
VIII	Extraordinary items	-	-	-	-	-
(V)	Profit before tax (III-IV)	(1,023.19)	24.53	(1,070.59)	(921.98)	(156.84)
(VI)	Tax Expenses					
(1)	Current tax	(26.78)	6.17	(160.13)	-	83.31
(2)	Deferred tax	(109.48)	-	(141.89)	(109.47)	(144.63)
(VII)	Profit for the year (V-VI)	(886.93)	18.36	(768.57)	(812.51)	(95.52)
(VIII)	Other Comprehensive Income net of tax	-	-	-	(2.28)	1.97
(IX)	Total comprehensive income (VII+VIII)	(886.93)	18.36	(768.57)	(814.79)	(93.55)
(X)	Paid up Equity Share Capital (Face value of Rs 10/- each)	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00
(XI)	Reserves excluding Revaluation Reserve as per Balance Sheet	-	-	-	2,467.62	3,235.69
(XII)	Earnings per share (not annualised):					
(a)	Basic (Rs.)	(8.15)	0.17	(7.06)	(7.47)	(0.88)
(b)	Diluted (Rs.)	(8.15)	0.17	(7.06)	(7.47)	(0.88)
(c)	Face value per equity share (Rs)	10.00	10.00	10.00	10.00	10.00



Notes :-

1) Statement of Assets and Liabilities as at March 31, 2022 :

(Rs. In lakhs)

S.No.	Particulars	As at March 31,2022 (Audited)	As at March 31,2021 (Audited)
	ASSETS		
1	Financial Assets		
(a)	Cash & cash equivalents	6.01	9.75
(b)	Bank balances other than Cash & cash equivalents	-	-
(c)	Receivables		
	- Trade Receivables	-	-
	- Other Receivables	-	-
(d)	Loans	24,179.12	21,451.34
(e)	Investments	0.43	0.39
(f)	Other financial assets	1,162.51	1,465.04
2	Non-financial Assets		
(a)	Inventories	-	-
(b)	Current tax assets(net)	407.24	209.98
(c)	Deferred tax asset (net)	378.51	268.28
(d)	Property, plant and equipment	0.01	0.01
(e)	Other intangible assets		
(f)	Capital work in progress		
(g)	Right of use assets		
(e)	Other non-financial assets	0.01	4.50
	TOTAL ASSETS	26,133.84	23,409.29
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Payables		
	- Trade Payables		
	total outstanding dues of micro enterprises and small enterprises		
	total outstanding dues of creditors other than micro enterprises and small enterprises	-	3.26
(ii)	Other Payables		
	total outstanding dues of micro enterprises and small enterprises		
	total outstanding dues of creditors other than micro enterprises and small enterprises		
(b)	Borrowings	20,875.16	16,240.82
(c)	Other financial liabilities	1,473.88	2,646.56
2	Non-Financial Liabilities		
(a)	Provisions	36.36	29.40
(b)	Other non-financial liabilities	192.82	165.56
	EQUITY		
(a)	Equity share capital	1,088.00	1,088.00
(b)	Other equity	2,467.62	3,235.69
	TOTAL - LIABILITIES AND EQUITY	26,133.84	23,409.29

2) Cash Flows Statement for the year ended March 31, 2022 :

(Rs. in lakhs)

S.No.	Particulars	March 31, 2022 (Audited)	March 31, 2021 (Audited)
1	Cash From Operating Activities:		
	Net profit before tax	(921.98)	(156.84)
	Non-cash/ separately considered income/expense	607.20	436.70
	Other Adjustments	(4,323.30)	896.56
	Net Cash generated from/ (used in) operating activities (A)	(4,638.08)	1,176.42
2	Net Cash (used in) investing activities (B)	-	405.01
3	Net cash (used in)/ generated from financing activities (C)	4,634.34	(1,578.66)
4	Net increase in cash and cash equivalents (A+B+C)	(3.74)	2.76
5	Cash and cash equivalents as at the beginning of the year	9.75	6.99
6	Cash and cash equivalents as at the end of the year	6.01	9.75



- 3) The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29 July, 2022.
- 4) The results for the year ended 31 March 2022 were audited by the Statutory Auditors of the Company.
- 5) The main business of the Company is financing activity. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the Indian Accounting Standard 108 (Ind AS) on Operating Segment.
- 6) The figures of the quarters ended 31st March are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year duly adjusted to comply with Ind AS which were subject to limited review by the Statutory Auditors of the Company.
- 7) In certain cases, the Company has advanced loans on which no amount has been received against the principal and interest accrued thereon. The same is in accordance with the loan agreements entered by the Company which provides for payment of interest along with principal amount or at the expiry of the said loan agreements. The Company has correctly followed the relevant provisions of IND-AS as well as RBI regulations, so far as they are applicable to the said loan agreements in respect of provisioning. The Company is confident of the recovery of the said amounts as per respective terms of the loan agreements and has obtained declarations and confirmations from the respective parties.
- 8) a) In respect of loan given to Tejswi Impex Private Limited, as per the ICD agreement dated 30 November 2011 expired on 30 November 2021. Tejswi Impex Private Limited has offered a settlement amount of Rs.6.50 crore as against total outstanding loan of Rs.8.34 crore, and the Company has agreed to settle the loan vide agreement dated 01 May 2022. Accordingly during the month of May'22 & June'22, amount of Rs.6.5 crore has been recovered. Hence, no interest has been provided during the FY 2021-22 as per the above settlement.

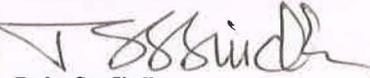
b) Also, in respect of loan given to TRN Energy Private Limited (Borrower) as per ICD agreement dated 31 May 2021 it is specified therein that the payment of interest on ICD or repayment of ICD shall be made by the Borrower upon clearing the dues of its term lenders as per financing agreement entered between the Borrower and its term lenders, who have sanctioned term facilities to TRN Energy Private Limited, which will be repaid up to 30 June 2038. Hence, the Company entered into a Novation Agreement dated 31st March 2022 with ACB (India) Power Limited, the holding company of the Borrower, wherein it was agreed that ACB (India) Power Limited shall take over the loan of TRN Energy Private Limited from the Company by way of novation on cash basis with total consideration of Rs.76.75 crore as against total outstanding loan of Rs.84.09 crore in full and final settlement. Accordingly, during the month of June 2022 an amount of Rs.76.75 crore has been paid by ACB (India) Power Limited in full and settlement of the ICD given to TRN Energy Private Limited.

c) In respect of borrowings from MKJ Enterprises Limited, Its agreement has been expired and amount due for repayment.
- 9) The comparative figures for the previous periods presented have been regrouped/ reclassified where necessary, to conform with the current period's presentation for the purpose of comparability.

Place: Gurugram (Haryana)
Date: 29 July 2022



By order of the Board
Sainik Finance & Industries Limited


Rudra Sen Sindhu
Director (DIN-00006999)



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

To
The Board of Directors
Sainik Finance & Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of Sainik Finance & Industries Limited (the 'Company') for the quarter and year ended 31 March 2022, (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. is presented in accordance with the requirements of the Listing Regulations in this regard;
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss, other comprehensive loss and other financial information of the Company for the quarter and year ended 31 March 2022.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'code of ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

- a) We draw attention to note no. 7 to the standalone Ind AS financial statements in terms of which it has been reported that in certain cases, the Company has advanced loans on which no amount has been received against the principal and interest accrued thereon but the same is in accordance with the loan agreements entered by the Company which provides for payment of interest along with principal amount or at the expiry of the said loan agreements. Although, the Company is confident of the recovery of the said amounts as per respective terms of the loan agreements and has obtained declarations and confirmations from the respective parties. Our report is not modified in respect of this matter.
- b) We draw attention to note no. 8 to the standalone Ind AS financial statements in terms of which it has been reported that in respect of loan given to Tejswi Impex Private Limited, as per the ICD agreement dated 30 November 2011 expired on 30 November 2021. Tejswi Impex Private Limited has offered a settlement amount of Rs.6.50 crore as against total outstanding loan of Rs.8.34 crore, and the Company has agreed to settle the loan vide agreement dated 01 May 2022. Accordingly, during the month of May'22 & June'22, amount of Rs.6.5 crore has been recovered. Hence, no interest has been provided during the FY 2021-22 as per the above settlement.

Also, in respect of loan given to TRN Energy Private Limited (Borrower) as per ICD agreement dated 31 May 2021 it is specified therein that the payment of interest on ICD or repayment of ICD shall be made by the Borrower upon clearing the dues of its term lenders as per financing agreement.

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between the Borrower and its term lenders, who have sanctioned term facilities to TRN Energy Private Limited, which will be repaid up to 30 June 2038. Hence, the Company entered into a Novation Agreement dated 31st March 2022 with ACB (India) Power Limited, the holding company of the Borrower, wherein it was agreed that ACB (India) Power Limited shall take over the loan of TRN Energy Private Limited from the Company by way of novation on cash basis with total consideration of Rs.76.75 crore as against total outstanding loan of Rs.84.09 crore in full and final settlement. Accordingly, during the month of June 2022 an amount of Rs.76.75 crore has been paid by ACB (India) Power Limited in full and settlement of the ICD given to TRN Energy Private Limited. Further, the company is yet to file the intimation for the same to Reserve Bank of India.

- c) We draw attention to note no. 9 to the standalone Ind AS financial statements in terms of which it has been reported that ICD agreement w.r.t. to ICD received from MKJ Enterprises Limited has been expired, and is therefore due for repayment.

Management's Responsibility for the Financial Statements

This statement which includes the financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. This responsibility includes the preparation and presentation of the financial results for the quarter and year ended 31 March 2022 that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement on the Ind AS 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Other Matters

- The financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor who resigned due to casual vacancy, have expressed an unmodified opinion on those financial statement.
Our report is not modified in respect of this matter.
- As stated in note no. 6 of the Statement, the figures for the quarter ended 31 March 2022, being the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the current financial year which were subjected to limited review by predecessor auditor.
Our report is not modified in respect of this matter.

For V P G S & Co.

Chartered Accountants

ICAI Firm Registration No.: 507971C

Gulshan Gaba
Digitally signed
by Gulshan Gaba
Date: 2022.07.29
18:55:19 +05'30'



Gulshan Gaba

Partner

Membership No.: 088726

UDIN: 22088726ANWQEK5576

Place: New Delhi

Date: 29th July 2022