



SOLITAIRE MACHINE TOOLS LIMITED

30th ANNUAL REPORT 2021-22

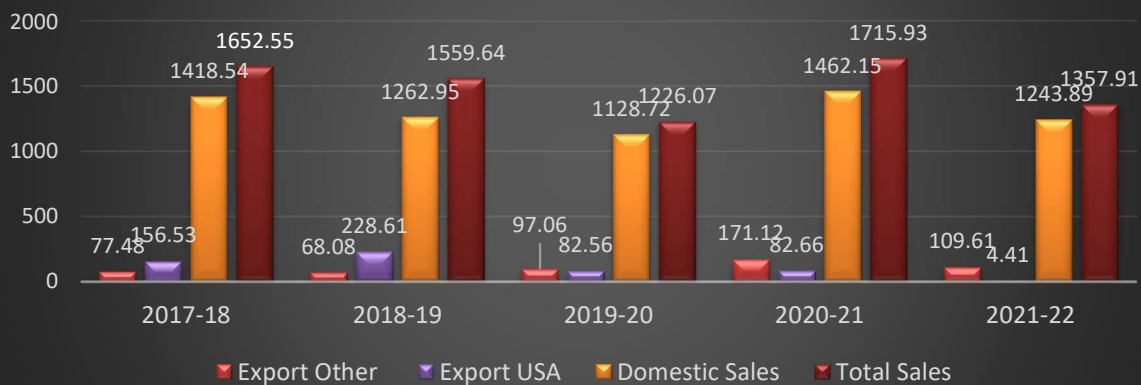
**SOLITAIRE MACHINE TOOLS
LIMITED**

**KEY FINANCIAL INDICATORS FOR LAST FIVE
YEARS**

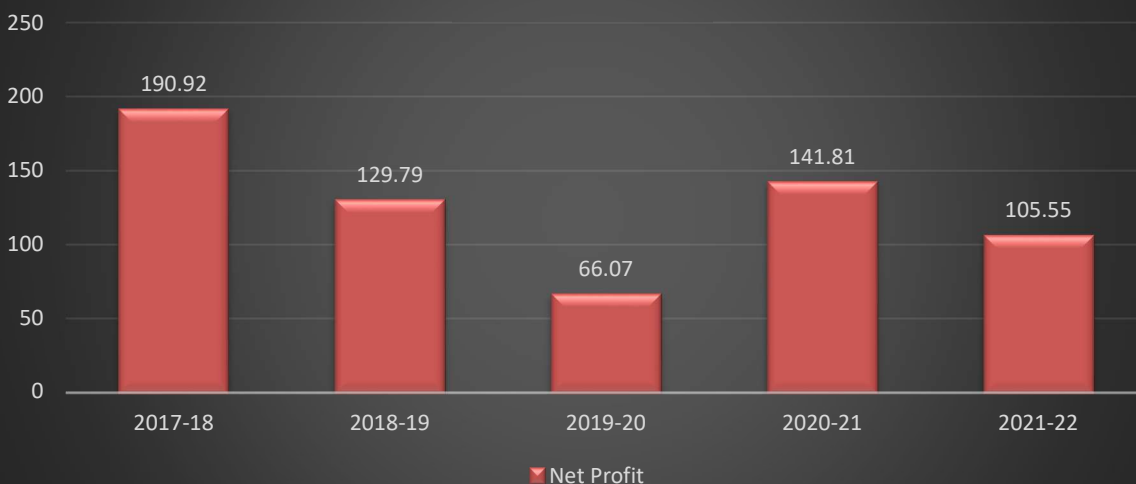
(Rs In
Lacs)

YEAR	2017-18	2018-19	2019-20	2020-21	2021-22
Sales	1652.55	1559.64	1226.07	1715.93	1357.91
Raw Material Cost	785.55	901.88	818.16	591.27	776.73
Payment to Employees & Directors	280.76	304.11	300.21	292.19	322.81
Manufacturing & Other Expense	296.68	292.99	265.75	211.66	236.15
Depreciation	90.91	98.37	119.38	65.42	57.22
Net Profit	190.92	129.79	66.07	141.81	105.55

SALES



Net Profit



SOLITAIRE MACHINE TOOLS LIMITED

ANNUAL REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2022

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BOARD OF DIRECTORS

Mr. A.J. Sheth
Mr. H.J. Badani
Mr. Harsh Badani
Ms. Shilpa Taneja
Mr. Bharat V Shah
Ms. Kesha K Thakkar
Ms. Nishita G Rajput

Managing Director
Managing Director
Whole Time Director
Non-Executive Director
Independent Director
Independent Director
Independent Director

CORPORATE MANAGEMENT

Mr. A.J. Sheth
Mr. H.J. Badani
Mr. Harsh Badani
Mr. N.M.B. Khan
Ms. Barkha Arora

Managing Director
Managing Director
Whole Time Director
Dy. General Manager (Finance & Corporate Affairs)
Company Secretary and Compliance Officer

REGISTERED & CORPORATE OFFICE

Shop 3-A, Floor-Bas, Plot 731, Part 3, Arun
Chamber, Pandit Madan Mohan Malviya Marg,
Tardeo, Mumbai- 400034, Tel: 022 66602156

PLANTS PLANT I

292, Dharamsinh Desai Marg, Chhani
Road, Vadodara- 390002
Tel: 9904408538
Email: sales@smtgrinders.com

PLANT II

A-24/25, Krishna Industrial Estate, Gorwa,
Vadodara-390016
Email: sales@smtgrinders.com

WEBSITE

www.smtgrinders.com

AUDITORS

Ajay Shobha & Co
Chartered Accountants, Mumbai

BANKER

Yes Bank, 2nd Floor, Corner Square
Building, Near Inox, Race Course, Baroda-
390007

SHARE TRANSFER AGENT

Link Intime India Pvt Ltd
C-101, 247 Park, LBS Marg, Vikhroli
(West), Mumbai 400083

SECRETARIAL CONSULTANT

Kiri and Associates
Practicing Company Secretaries,
Vadodara

NOTICE TO MEMBERS

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of Solitaire Machine Tools Limited will be held through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) on Saturday, 16th July, 2022 at 11:00 a.m.

ORDINARY BUSINESS

Item No. 1- Adoption of Financial Statements

To consider and adopt the Audited Standalone Financial Statements for the year ended March 31, 2022 and Report of the Directors and Auditors thereon.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Financial Statements for the financial year ended 31st March, 2022 together with the report of Directors and Auditors thereon, be and are hereby approved and adopted.”

Item No. 2- Declaration of dividend

To approve and declare dividend recommended by the Board for the Financial Year ended March 31, 2022.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT the recommendation of the Board of Directors for the payment of 12.00% dividend viz. Rs. 1.20 Per share on paid up equity capital of the company be and is hereby approved and the dividend so declared.

Item No. 3- Appointment of director in place of those retiring by rotation

To appoint Mr. Hemandra J Badani (DIN: 00143330), who retires by rotation and being eligible offers himself for re-appointment as a director.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Mr. Hemandra J Badani (DIN: 00143330), Director of the company, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement by rotation.”

Item No. 4-Appointment of director in place of those retiring by rotation

To appoint Mr. Harsh Badani (DIN: 02282965), who retires by rotation and being eligible offers himself for re-appointment as a director.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Mr. Harsh Badani (DIN: 02282965), Director of the company, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement by rotation.”

Item No. 5-Appointment and fixing of remuneration of Statutory Auditor

To appoint M/s K.C. Mehta & Co., Chartered Accountants as Statutory auditors of the Company.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT pursuant to provision of section 139 of the Companies Act 2013 (as amended or re-enacted from time to time) and other applicable provision of the Companies Act 2013 and considering the recommendations made by the Board of Directors, M/s K.C. Mehta & Co., Chartered Accountants be and are hereby appointed as the statutory auditor of the company for a period of 5 years, starting from Financial year 2022-23 and that they shall hold office from the conclusion of this annual general meeting till the conclusion of sixth meeting , at a remuneration to be decided in consultation with the Board.

By the order of Board of Directors

For **SOLITARE MACHINE TOOLS LIMITED**

Sd/-

Barkha Arora
Company Secretary and Compliance Officer

Date-30/05/2022
Place- Vadodara

Notes:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2022 dated May 05, 2022, General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13th, 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The Company has engaged Link Intime India Private Limited for facilitating voting through electronic means i.e., remote e- voting and voting on the date of the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate members intending to represent through their authorised representatives in the AGM through VC/ OAVM and to vote through remote e-voting or voting at the AGM are requested to send to the Company a certified copy of the board resolution authorising their representative to the designated email address of the Registrar and Transfer Agents at rnt.helpdesk@linkintime.co.in
4. The cut-off date for the purpose of determining eligibility of members for voting in connection with the Thirtieth AGM has been fixed as Saturday 09th July, 2022.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 10th July, 2022 to Saturday, 16th July, 2022 (Both Days Inclusive).
6. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
 - A. Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H or Lower Withholding Certificate (if obtained from the Tax department), to avail the benefit of non-deduction/ lower deduction of tax at source by writing an email to solitairedivtax@linkintime.co.in on or before 11:59 p.m. IST on July 01, 2022. The shareholders are requested to note that in case their PAN is not registered/ updated, the tax will be deducted at a higher rate of 20% (plus Surcharge and Cess as applicable).
 - B. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment (PE) and Beneficial Ownership Declaration, Tax Residency Certificate (TRC), Form 10F, any other document which may be required to avail the tax treaty benefits by sending an solitairedivtax@linkintime.co.in. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST by July 01, 2022. The formats of No PE Declaration (including beneficial ownership) and Form 10F are available on Link Intime’s website at <https://www.linkintime.co.in/client-downloads.html>. TRC needs to be obtained by

the shareholder from the Tax Department of their country of residence. Non-resident shareholders shall also furnish the lower/nil withholding certificate, if obtained from the Tax Department.

7. Change of particulars including address, bank mandate & nomination for shares held in demat form, should be notified only to the respective Depository Participants where the member has opened his demat account. The Company or its Share Transfer Agent will not be able to act on any direct request from these Members for change of such details. However, for any change in particulars in respect of shares held in physical form should be sent to the Registrar & Share Transfer Agents of the Company i.e., Link Intime India Private Limited at following address:

Link Intime India Private Limited

C 101, 247 Park, L. B. S. Marg, Vikhroli (West),

Mumbai, Maharashtra, 400 083

8. **SEBI has decided that securities of listed companies can be transferred only in dematerialized form from 01st April 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form. Members can contact the Company or the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited, for assistance in this regard.**
9. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to investors@smtgrinders.com on or before July 10, 2022.
10. Members are requested to register their E-mail address with the Company/Registrar & Transfer Agents so as to receive Annual Report and other communication electronically.
11. Information pursuant to regulations 26(4), 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect of the Directors seeking appointment/ re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
12. In compliance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020 and January 15, 2021, Notice of the Annual General Meeting along with the Annual Report for the Financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the Financial year 2021-22 will also be available in the Investors Section on the Company's website www.smtgrinders.com and on the website of Bombay Stock Exchange at www.bseindia.com.
13. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. Since the AGM will be held through VC/OAVM, the route map is not annexed to this Notice.
15. Mr. Hemandra J Badani (DIN: 00143330) and Mr. Harsh Badani (DIN: 02282965) are interested in the Ordinary resolutions set out at Item No. 3 and 4 respectively. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business of the Notice.

16. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the Annual General Meeting held on 29th July, 2017.
17. The Company's shares are listed at Bombay Stock Exchange.
18. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members to exercise their right to vote at 30th Annual General Meeting of the Company by electronic means through remote e-voting facility provided by Link Intime India Private Limited ('Link Intime'). Members who are holding shares in physical or dematerialized form as on July 09, 2022 shall exercise their vote by electronic means.
2. The voting period begins on Wednesday July 13, 2022 (09:00 a.m.) to Friday, July 15, 2022 (05:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) July 09, 2022 may cast their vote electronically. The e-voting module shall be disabled by Link Intime for voting thereafter.
3. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., July 09, 2022 may obtain the login ID and password by sending an email to rnt.helpdesk@linkintime.co.in by mentioning their Folio No./DP ID.
4. The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
5. The details of the process and manner for remote e-voting are explained herein below:

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only, post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

<u>Type of Shareholders</u>	<u>Login Method</u>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ul style="list-style-type: none"> <li data-bbox="547 315 1447 562">□ If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e- Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. <li data-bbox="547 584 1447 831">□ After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="547 853 1447 999">□ If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp <li data-bbox="547 1021 1447 1503">□ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ul style="list-style-type: none"> □ Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. □ After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. □ If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration □ Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.

1. Open the internet browser and launch the URL:

<https://instavote.linkintime.co.in>

► Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID: Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

► Click “confirm” (Your password is now generated).

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINK INTIME. have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

• Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

InstaVote Support Desk
Link Intime India Private Limited

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 digit client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request from Monday, July 11th 2022 to Thursday, July 14th 2022 with the RTA on the e-mail ID rnt.helpdesk@linkintime.co.in created for the general meeting.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

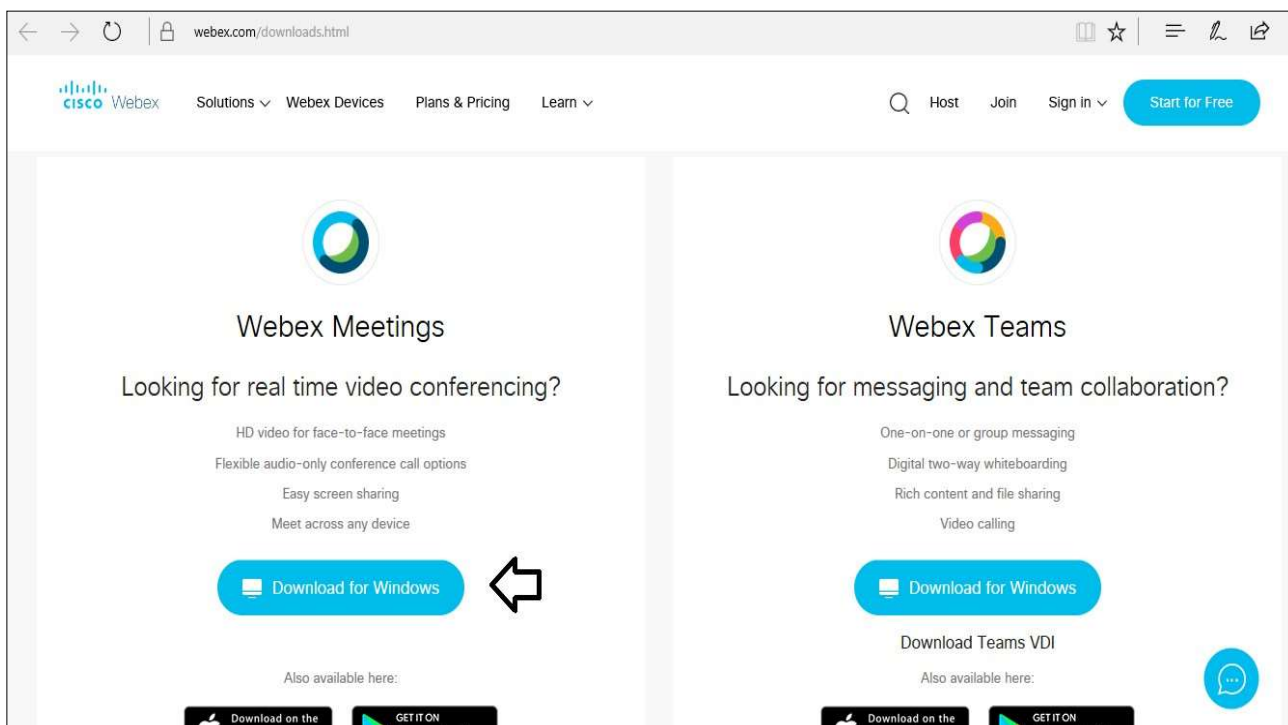
Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



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Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.

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To open the app double-click the Webex Meetings icon on your desktop.

What do you want to do with webexapp.msi (88.1 MB)?
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Cisco Webex Meetings - InstallShield Wizard

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The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.

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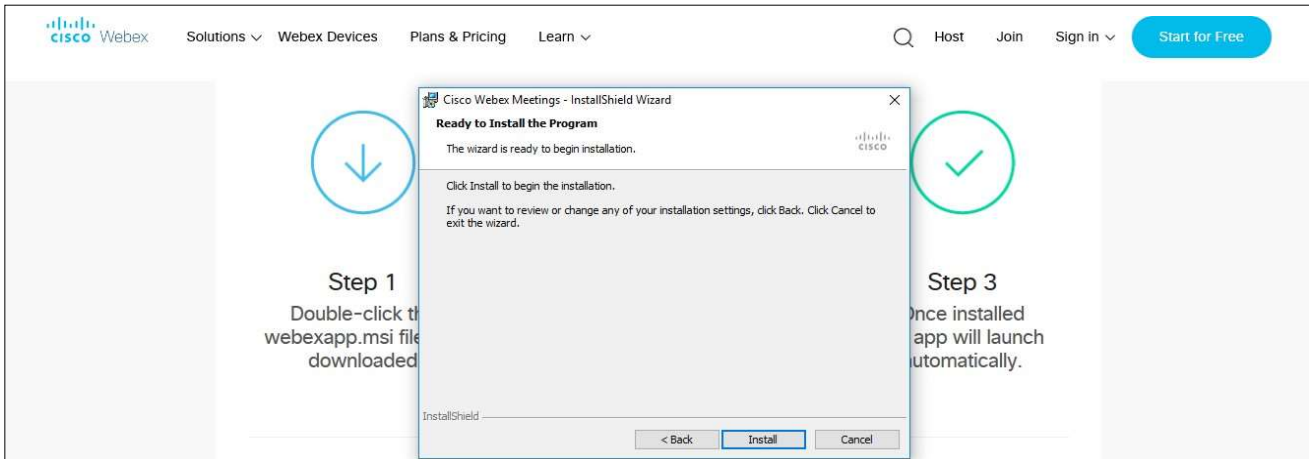
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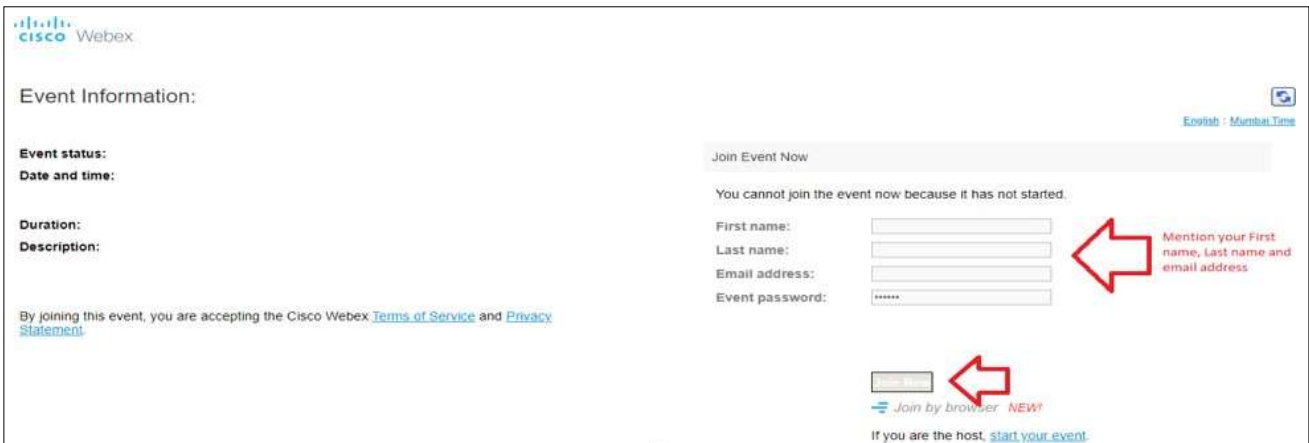
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b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



General Instructions:

- a. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. July 09, 2022. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. July 09, 2022 only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM.
- b. CS Reshma Sahil Kiri, Proprietor, Kiri & Associates, Practicing Company Secretaries (Membership No. ACS 54902) has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.
- c. The Scrutinizer shall within 48 hours of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
- d. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.smtgrinders.com and communicated to the BSE Limited.

INSTRUCTIONS FOR SHAREHOLDERS FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS ARE AS FOLLOWS:

i. Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DP ID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a Member may send an e-mail to Link Intime at rnt.helpdesk@linkintime.co.in.

On submission of the Shareholders details an OTP will be received by the Shareholder which needs to be entered in the link for verification.

ii. Permanent Registration for Demat Shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant ("DP") by following the procedure prescribed by the DP.

iii. Registration of email id for Shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who Have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a Member may send an e-mail to Link Intime at rnt.helpdesk@linkintime.co.in.

On submission of the Shareholders details an OTP will be received by the Shareholder which needs to be entered in the link for verification.

iv. Registration of Bank Details for Physical Shareholders:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, email id along with the copy of the cheque leaf with the first named Shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a Member may send an email to Link Intime at rnt.helpdesk@linkintime.co.in

On submission of the Shareholders details an OTP will be received by the Shareholder which needs to be entered in the link for verification.

EXPLANATORY STATEMENT FOR RESOLUTION NO. 5

Since the tenure of our current Auditors M/s Ajay Shobha and Co. is completing in the ensuing Annual General Meeting, the Board of Directors on the recommendation of our Audit Committee has placed before the members the resolution to appoint M/s K.C. Mehta & Co. as the new auditors for a period of 5 years starting from this Annual General Meeting. Since company has shifted its Registered office from Mumbai to Vadodara, for the ease of doing business, our audit committee has recommended us the auditor from Vadodara only.

Brief Profile of M/s K.C. Mehta & Co.

M/s. K. C. Mehta & Co., Chartered Accountants (FRN 106237W) was established in 1958. The firm has its registered office in Vadodara and branch offices in Ahmedabad, Mumbai & Bengaluru. The firm is regularly Peer Reviewed and holds a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India. The firm has vast experience of conducting statutory audits of listed companies. M/s. K. C. Mehta & Co. has a robust audit process, specialised team for assurance and maintains highest standards of integrity and independence. Further, K C Mehta & Co stands converted to K C Mehta & Co LLP ("the LLP") (LLPIN : ABB-3171) effective 7th June 2022 and is in the process of completing the Firm Registration Process in case of LLP.

By the order of Board of Directors

For **SOLITARE MACHINE TOOLS LIMITED**

Sd/-

Barkha Arora

Company Secretary and Compliance Officer

Date- 30/05/2022

Place- Vadodara

Regd. Office:

Shop 3-A, Floor- Bas, Plot 731, Part 3, Arun Chamber, Pandit Madan Mohan Malviya Marg, Tardeo, Mumbai - 400034

Directors Report

To the Members,

The Directors have pleasure in presenting before you the Thirtieth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2022.

FINANCIAL RESULTS:

The Standalone performance during the period ended 31st March, 2022 has been as under:

(Rs. in Lacs)

Particulars	Year	Year	Year	Year	Year
	Ended 31 st	Ended 31 st	Ended 31 st	Ended 31 st	Ended 31 st
	March,	March,	March,	March,	March,
	2022	2021	2020	2019	2018
Sales (Net)	1357.91	1715.93	1226.07	1559.64	1652.56
Other Income	29.81	86.38	32.93	29.03	41.56
(Increase)/ Decrease in stocks	(139.51)	463.33	(351.59)	(222.83)	(28.85)
Profit Before Taxation	122.25	166.88	103.09	207.95	248.45
Less:					
Taxation	35.00	30.00	50.00	73.00	82.00
Excess/Short provision of tax relating to earlier years	4.32	-	2.18	7.32	-
Deferred Tax	(3.72)	(4.94)	(15.16)	(2.16)	(24.51)
Net Profit after Tax	105.56	141.81	66.07	129.79	190.97
Add: Profit brought forward from Previous Year	1073.44	968.17	968.66	900.83	776.54
Profit available for appropriation	1179.00	1109.98	1034.73	1030.62	967.51
Proposed Dividend Including Corporate tax	54.51	45.42	61.52	61.52	68.33
Add/Less: Other Comprehensive Income	3.26	2.48	0.87	0.44	(1.64)
Less: Loss of Shruchi Manufacturing Limited*			4.16		
Balance Carried to Balance Sheet	1136.83	1073.43	968.18	968.66	900.83

DIVIDEND:

Your Directors recommend dividend of Rs. 54,50,610/- which would be 12% on 4542176 equity shares of Rs. 10/- each for the year ended March 31, 2022 subject to members' approval.

OPERATIONS:

The operation of the year has shown decline in sales and net profit. The year began with good promise for higher sales and profits. However, due to low production in automobile field, customers did not pick up the machines as well as delayed payments to affect final sales for the company. The principal reasons were low availability of semiconductors for automotive as well as slow pick up of electric vehicle manufacturing. The expected production of electric two wheelers was very low from projections and all part suppliers delayed ordering as well as taking delivery of machines. This affected entire machine tool industry.

This resulted in increase in inventory as well as several machines were slowed down in manufacturing, as customers were delaying taking delivery from us as well as delaying their own projects.

The export market was very sluggish for most of the year. US market was hit hard by slow offtake in aircraft industry. During last quarter, we were fortunate to receive order for over 4 crores for export and we could execute this order partially during the year. Year 2022-23 would see good export order execution. New order from USA has also been received.

In spite of all negative circumstances, your company has remained profitable. The company continued to work with very little requirement for working capital loan from bank. Our finance cost was just 0.6 % of our sales.

As per Government of India directives for MSME, banks were advised to loan certain amount at lower interest rates. We were offered term loan of Rs. 47.40 lacs with moratorium of 2 years and repayment in 5 years. This is the only debt company has as of end of financial year.

The company had taken loan from GIDC for land of new Halol plant being set up. This loan of Rs. 98 lacs was paid up fully during the year from internal accruals.

The old outstanding liability for gratuity has been fully paid up.

The work of construction at Halol plant has begun and is expected to be completed by Mid 2023.

The company has initiated process of transferring registered office from Mumbai to Vadodara and has received the order from Regional Director, Mumbai as on 02nd June, 2022. In Vadodara, all office functions have been shifted to Gorwa plant and same shall also be registered office of the company from 02nd June, 2022 onwards.

The company invested about 31 lacs during the year for installation of CNC systems on existing machines for better productivity and also for new offices etc.

During the year, we saw upsurge in orders for rebuilding and CNC retrofitting due to paucity of funds by our customers. We have started to procure old grinders from various sources within the country as well as from outside India. This helps us to meet customers requirement for rebuilt grinders at lower cost and at the same time, it gives additional source of income.

The ease of availability of semiconductors for auto industry and upsurge of export of steel bars could increase demand in current year in 3rd quarter onwards. The volatile increase in input material for castings, steel parts, electrical components has put pressure on us to monitor the same continuously and maintain our prices in accordance with the input costs.

The government's initiative to stop import of machines of lower value will help to meet requirement of

mainly government PSU, who habitually imported precision machines for their requirement. This initiative is making India self-dependent for our internal requirements. We have started to receive inquiries for PSU as well as Defense related industries.

The Indian Machine Tool Exhibition, IMTEX 2023 has been scheduled for January 2023. The last exhibition was cancelled due to covid. We will participate in the next IMTEX.

The company continues with its own social responsibility program for our own employees and their families. We had arranged rangoli competition and distribution of education related items during the year.

The company continues to train the employees for better skill. the equipment, tooling and process in plant are being upgraded to reduce cost of manufacturing as well as improve quality norms. The company thanks all its employees for their support.

The company thanks all its customers for continued support and faith in meeting their requirements.

The company thanks its bankers, vendors and various government bodies for their continued support.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Report on Corporate Governance and Management Discussion and Analysis Reports has been included in the report. Your company has been practicing the principle of good Corporate Governance over the year. The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2022-23 to BSE where the Company's Shares are listed.

DEMATERIALIZATION OF SHARES:

93.68% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2022 and balance 6.32% is in physical form.

NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met 6 times from 1st April, 2021 to 31st March, 2022. The dates on which meetings were held are as follows:

S. No.	Date
01	01-06-2021
02	12-08-2021
03	11-11-2021
04	27-11-2021
05	21-01-2021
06	10-02-2022

DIRECTORS:

The Board of Directors are duly constituted. As per provisions of Companies Act, 2013 for retirement by rotation, all executive directors are now liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

a) In the preparation of the annual accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;

c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis;

e) They have laid down internal financial controls in the company that are adequate and were operating effectively.

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

COMMENTS ON AUDIT OBSERVATIONS:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

DISCLOSURE ON NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS

The maintenance of Cost records as specified by the Central government under sub section (1) of Section 148 of the Companies Act, 2013 is not applicable on the Company.

COMMENTS ON SECRETARIAL AUDITOR'S OBSERVATIONS:

There is no malafide intention on the part of company and delay if any, in the matter is inadvertent and caused due to oversight. The Company is in process of complying all the requirements of the Companies Act, 2013 and amended listing agreement.

AUDITORS:**Statutory Auditors:**

M/s. Ajay Shobha & Co. (Firm Registration No.: 317031E), Chartered Accountants, Mumbai were

appointed as Statutory Auditors for financial year 2017-18 to 2021-22 at the Annual General Meeting held on 29th July, 2017.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

Secretarial Audit:

M/s Kiri & Associates has been appointed as the Secretarial Auditor for the Company with effect from 01st June, 2021 for the FY 2021-22.

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

a. CONSERVATION OF ENERGY:

The company's operations do not involve substantial consumption of power in comparison to costs of production. However, regulatory measures are there to ensure that the consumption of power is within the norms.

b. TECHNOLOGY ABSORPTION:

The company has fully absorbed the technical know-how received from USA and Italy.

c. FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign exchange earnings of the company during the year 2021-2022 were Rs. 114.02 Lacs (Previous Year Rs. 168.87 Lacs) while outgoings were Rs. 76.33 Lacs (Previous Year Rs. 34.65 Lacs).

VIGIL MECHANISM/ WHISTLE BLOWER:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.smtgrinders.com under link <http://www.smtgrinders.com/policies/>.

RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure-B.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company at www.smtgrinders.com under link <http://www.smtgrinders.com/policies/>

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-C.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There are no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 during the current Financial Year.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

- i. The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

S. No.	Name	Designation	Remuneration paid FY 20-21	Remuneration paid FY 21-22	Percentage Increase in remuneration from previous year	Ratio/Times per Median of employee remuneration
1	Mr. Ashok Sheth	Chairman & Managing Director	Rs. 12,85,968	Rs 14,29,709/-	11.17%	4.92
2	Mr. Hemandra Badani	Managing Director	Rs. 12,97,749	Rs 14,60,353/-	12.5%	5.03
3	Mr. Harsh Badani	Whole Time Director	Rs. 10,77,345	Rs 14,14,887/-	31.33%	4.87

Remuneration includes Incentives and perquisites received by Directors. There has been no Salary increase for Mr. Ashok J Sheth and Mr. Hemandra J Badani, the increase shown is due to increase in incentive and perquisite. There has been a salary increase for Mr. Harsh Badani by 13.33% in the Board Meeting held on 12th August, 2022.

- ii. Percentage Increase in Median Remuneration of Employees in the Previous Year:

Total Employees in FY 2020-21	Median Remuneration of Employees in FY 2020-21	Total Employees in FY 2021-22	Median Remuneration of Employees in FY 2021-22	Percentage Increase
77	280914	82	290256	3.32%

- iii. Average percentage increase in Employee remuneration- 3.35%
 iv. Average percentage increase in Managerial Remuneration- 18.33%

PARTICULARS OF EMPLOYEES

The total number of on roll employees in Company as on 31st March, 2022- 82

Details of employees which are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

A. Top ten employees in terms of remuneration:

Name of Employee	Date of Commencement	Date of Resignation	Total remuneration paid	Qualification & Experience	Designation	Age	Last employment	Relation with Director
Ashok Sheth	10/09/1987	-	Rs. 14,29,709	B.S-Mechanical Engineering USA with 52 Years of experience	Chairman & MD	74	N.A	Himself
Hemandra Badani	10/09/1987	-	Rs. 14,60,353	B Com Graduate with 47 years of experience	Vice Chairman and MD	69	N.A	Himself
Harsh Badani	31/01/2006	-	Rs. 14,14,887	B.E-Mechanical and MBA with 15 years of experience	WTD	37	N.A	Himself
N M B Khan	15/06/1992	-	Rs. 7,82,754	Commerce Graduate with 30 years of experience	Dy. General Manager- Finance & Corporate affairs	59	KR Kanakiya & Co.	N.A.
M I Gohil	01/04/2001	-	Rs. 6,30,996	ITI with 32 years of experience	Assembly Manager	58	N.A.	N.A.
M.A Bidiwala	09/11/1991	-	Rs. 6,00,661	DME with 31 years of experience	QC and Development Manager	49	N.A.	N.A.
Atul Modi	01/11/1996	-	Rs.5,32,614	M.Com with 30 years of experience	Purchase Officer	53	Geeta Valves	N.A.
Girish D Goswami	01/10/1995	-	Rs.4,81,125	ITI with 27 years of experience	Supervisor	48	N.A.	N.A.

Indravada n A Patel	01/02/1996	-	Rs 4,80,875	ITI with 26 years of experience	Sr. Marking & Scheduler	54	N.A	N.A.
Vasant S Uttekar	01/06/1991	-	Rs. 4,75,938	ITI with 32 years of experience	Sr. Machinist	52	N.A	N.A.

B. Employed throughout the year under review & were in receipt of remuneration in aggregate of not less than Rs. 1,02,00,000/- p. a. or Rs. 8,50,000/- per month if employed for part of the year: **N. A.**

C. Person who are getting more remuneration than MD, WTD or manager and hold 2% or more equity shares together with spouse and dependent children: **N. A.**

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

INTERNAL FINANCIAL CONTROLS

Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the 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.

DISCLOSURE REGARDING MSME SUPPLIERS

The Company has as on 31st March, 2022, an amount of Rs. 5,36,279/- pending for more than 45 days towards the payment of Micro and Small enterprise registered under Micro, Small and Medium Enterprise Act, 2006. This delay was due to delay in Bill entry. All these payments were cleared by 18/04/2022.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace, and has constituted an Internal Complaints Committee against sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Committee aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has not received any complaint of sexual harassment during the financial year 2021-22.

PERFORMANCE EVALUATION

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

DETAILS OF FRAUDS REPORTED BY THE AUDITORS

No frauds have been reported by the auditors under sub-section 12 of section 143 of the companies Act, 2013.

ACKNOWLEDGEMENT:

Directors take this opportunity to express thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance. The Directors wish to place on record their appreciation for the dedicated efforts put in by Employees of the Company at all levels.

For and on behalf of Board of Directors

Sd/-
Ashok J Sheth
Chairman
DIN: 00174006

Place: Vadodara
Date: 30/05/2022

ANNEXURE 'A' TO BOARD'S REPORT



**KIRI AND ASSOCIATES
PRACTISING
COMPANY
SECRETARIES**

CS RESHMA KIRI
Mobile: 9033026573
Email id: kiriandassociates@gmail.com
csreshmamadhu2015@gmail.com

SECRETARIAL AUDIT REPORT FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Solitaire Machine Tools Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Solitaire Machine Tools Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Solitaire Machine Tools Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment)
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,

2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(6) The Management has identified and confirmed the following laws as specifically applicable to the Company:

- a) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- b) Employees State Insurance Act, 1948
- c) Labour Laws, Rules and Regulations applicable to the employees of the Company, including Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- d) GST Act

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

- (i) Secretarial Standards SS-1 and SS-2 issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. with delay in filing some intimations and forms with various Authorities and subject to the following observation:

1. *Delay in Submission of Closure of Trading Window Third Quarter under SEBI (Prohibition of Insider Trading) Regulations, 2015.*
2. *Delay in filing shareholding pattern for Fourth Quarter under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.*
3. *Non publication of Book closure, Notice of Board Meeting, Financial Results in News Paper.*
4. *Non-Filing of Annual Return on Foreign Liabilities and Assets.*
5. *Non-compliance with regards to IEPF- 2 Form. (Filing done from company side but considered invalid and not taken on record.)*
6. *Unclaimed or unpaid dividend amount was not transferred to Unpaid Dividend Account.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For KIRI & Associates,
Company Secretaries,

Date: 26th May, 2022
Place: Vadodara
UDIN: A054902D000397937

Sd/-
Reshma Kiri
Proprietor
Membership No.54902/COP No. 20459

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Solitaire Machine Tools Limited

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, KIRI& Associates,
Company Secretaries,

Date: 26th May, 2022
Place: Vadodara
UDIN: A054902D000397937

Sd/-
Reshma Kiri,
Proprietor
Membership No.54902/ COP. No. 20459

ANNEXURE 'B' TO BOARD'S REPORT

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

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

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Nil
2.	Nature of contracts/arrangements/transaction	Nil
3.	Duration of the contracts/arrangements /transaction	Nil
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5.	Justification for entering into such contracts or arrangements or transactions	Nil
6.	Date of approval by the Board	Nil
7.	Amount paid as advances, if any	Nil
8.	Date on which the special resolution was passed in General meeting as required	Nil

2. Details of contracts or arrangements or transactions at Arm's length basis:

A.

Sr. No.	Particulars	Details	Details
1.	Name (s) of the related party	Adventure Advertising Private Limited	Metal Perforation Private Limited
2.	Nature of Relationship	Enterprises under significant influence of Key Management Personnel or their relatives	Enterprises under significant influence of Key Management Personnel or their relatives
3.	Nature of contracts /arrangements /transaction	Transaction on Assignment basis	Spares Purchase
4.	Duration of the contracts/arrangements / transaction	N. A.	N. A.
5.	Salient terms of the contracts or arrangements or transaction	Receiving services of advertisement printing work	Purchase of spare parts
6.	Justification for entering into such contracts or arrangements or transactions	Approved by Board of Directors	Approved by Board of Directors
7.	Date of approval by the Board	10 th May, 2014	28 th October, 2017
8.	Amount incurred during the year	Rs. 24,598/-	Rs. 83,200/-

B.

Sr. No.	Particulars	Details		
1.	Name (s) of the related party	Ashok Sheth	Hemandra Badani	Harsh Badani
2.	Nature of Relationship	Managing Director	Managing Director	Whole Time Director
3.	Nature of contracts / arrangements /transaction	Remuneration	Remuneration	Remuneration
4.	Duration of the contracts/ arrangements / transaction	5 years	5 years	5 years
5.	Salient terms of the contracts or arrangements or transaction	Receipt of Remuneration to act as Managing Director	Receipt of Remuneration to act as Managing Director	Receipt of Remuneration to act as Whole Time Director
6.	Justification for entering into such contracts or arrangements or transactions	Approved by Board of Directors	Approved by Board of Directors	Approved by Board of Directors
7.	Date of approval by the Board	07.09.2020 (Special Resolution)	30.01.2020	30.01.2020
8.	Amount incurred during the year	Rs. 14,29,709/-	Rs. 14,60,353/-	Rs. 14,14,887/-

For and on behalf of Board of Directors

Sd/-

Place: Vadodara

Ashok J Sheth

Date: 30/05/2022

Chairman

DIN: 00174006

ANNEXURE 'C' TO BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1. CIN: L28932MH1967PLC013747
2. Registration Date: 24/05/1967
3. Name of the Company: SOLITAIRE MACHINE TOOLS LIMITED
4. Category / Sub-Category of the Company: Company Limited by shares
5. Address of the Registered office and contact details: Shop 3-A, Floor- Bas, Plot 731, Part 3, Arun Chamber, Pandit Madan Mohan Malviya Marg, Tardeo, Mumbai - 400034, Tel: 022-66602156
6. Whether listed company: Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY –

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Cincinnati-20M Centreless Grinders & Loose Spares	28221	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Not Applicable.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding –

Sr No	Category of Shareholder	Shareholding at the beginning of the year – 2021				Shareholding at the end of the year – 2022				% of Change
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Shareholding of Promoter and Promoter Group										
[1] Indian										
(a)	Individuals / Hindu Undivided Family	1998210	0	1998210	43.99	1987610	0	1987610	43.76	(0.23)
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	-
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	-
(d)	Any Other (Specify)									
	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	-
	Sub Total (A)(1)	1998210	0	1998210	43.99	1987610	0	1987610	43.76	(0.23)
[2] Foreign										
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	62250	0	62250	1.37	63851	0	63851	1.41	0.04
(b)	Government	0	0	0	0.00	0	0	0	0.00	-
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	-
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	-

(e)	Any Other (Specify)									
	Sub Total (A)(2)	62250	0	62250	1.37	63851	0	63851	1.41	0.04
	Total Shareholding of Promoter and Promoter Group(A) = (A)(1) + (A)(2)	2060460	0	2060460	45.36	2051461	0	2051461	45.16	(0.20)

(B) Public Shareholding

[1] Institutions

(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	-
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
(c)	Alternative Investment Funds	0	0	0	0.00	0	0	0	0.00	-
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	-
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	-
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	-
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	-
(h)	Provident Funds/	0	0	0	0.00	0	0	0	0.00	-

	Pension Funds									
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	-
[2]	Central Government/ State Government(s)/ President of India									
	Central Government/ State Government (IEPF)	165070	0	165070	3.63	187080	0	187080	4.12	0.48
	Sub Total (B)(2)	165070	0	165070	3.63	187080	0	187080	4.12	0.48
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1095539	301120	1396659	30.74	1297323	282520	1579843	34.78	4.03
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	722826	12800	735626	16.19	511910	0	511910	11.27	(4.92)
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	-

(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	-
(e)	Any Other (Specify)									
	Trusts	0	0	0	0.00	0	0	0	0.00	-
	Hindu Undivided Family	107212	0	107212	2.36	119457	0	119457	2.63	0.27
	Non Resident Indians (Non Repat)	2348	0	2348	0.05	2965	0	2965	0.06	0.01
	Non Resident Indians (Repat)	25372	0	25372	0.55	37907	0	37907	0.83	0.28
	Clearing Member	1590	0	1590	0.03	12697	0	12697	0.28	0.24
	Bodies Corporate	37639	10200	47839	1.05	33756	5100	38856	0.85	-0.20
	Sub Total (B)(3)	1992526	324120	2316646	51.00	2016015	287620	2303635	50.72	-0.28
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	2157596	324120	2481716	54.63	2157596	287620	2490715	54.83	0.20
	Total (A)+(B)	4218056	324120	4542176	100.00	4254556	287620	4542176	100.00	

(C)	Non Promoter - Non Public	0	0	0	0.00	0	0	0	0.00	-
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	-
[2]	Employee Benefit Trust under SEBI (Share based Employee Benefit) Regulations, 2014	0	0	0	0.00	0	0	0	0.00	-
	Total (A+B+C)	4218056	324120	4542176	100	4254556	287620	4542176	100	

ii) Shareholding of Promoters –

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year – 2021			Shareholding at the end of the year – 2022			% change in shareholding During the year
		No. Of Shares Held	% of total Shares of the company	%of Shares Pledged /encumbered to Total shares	No. Of Shares Held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Harsh Hemendra Badani	778008	17.12	0.00	778008	17.12	0.00	0.00
2	Ashok Jivarajbhai Sheth	722794	15.91	0.00	723974	15.91	0.00	0.03
3	Bharati Ashok Sheth	402756	8.86	0.00	403143	8.86	0.00	0.01
4	Swati Hemendra Badani	56854	1.25	0.00	56854	1.25	0.00	0.00
5	Sanjay Ashok Sheth	62250	1.37	0.00	63851	1.40	0.00	0.03
6	Sandip Manubhai Shah*	13167	0.29	0.00	0	0.00	0.00	(0.29)
7	Sunita Mohanlal Kalani	13081	0.29	0.00	13081	0.29	0.00	0.00

8	Shilpa Taneja	4700	0.10	0.00	4700	0.10	0.00	0.00
9	Hemendra Jayant Badani	2100	0.05	0.00	2100	0.05	0.00	0.00
10	Vora Shraddha Suneel	2000	0.04	0.00	2000	0.04	0.00	0.00
11	Jeni Isak Rangwala	950	0.02	0.00	950	0.02	0.00	0.00
12	Gita Amin	500	0.01	0.00	500	0.01	0.00	0.00
13	Sudhir Ramanlal Mehta	500	0.01	0.00	500	0.01	0.00	0.00
14	Praful Maganlal Vora	800	0.02	0.00	800	0.02	0.00	0.00
	Asmi Shah*	0	0.00	0.00	1000	0.02	0.00	0.02
	Total	2060460	45.36	0.00	2051461	45.16	0.00	(0.20)

*Ms. Asmi Shah is the daughter of our late Promoter Shri Sandip Manubhai Shah. The shares of Sandip Manubhai Shah were transmitted to Ms. Asmi Shah.

iii) Change in Promoters' Shareholding (please specify, if there is no change) –

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year – 2021		Transactions during the year		Cumulative Shareholding at the end of the year – 2022	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Harsh Hemandra Badani	778008	17.1285	-	-	778008	17.1285
	At the end of the Year					778008	17.1285
2	Ashok Jivarajbhai Sheth	722794	15.9129				
	Transfer			27 Aug 2021	100	722894	15.9151
	Transfer			03 Sep 2021	100	722994	15.9173
	Transfer			10 Sep 2021	50	723044	15.9184
	Transfer			17 Sep 2021	130	723174	15.9213
	Transfer			24 Sep 2021	100	723274	15.9235
	Transfer			26 Nov 2021	100	723374	15.9257
	Transfer			03 Dec 2021	100	723474	15.9279
	Transfer			10 Dec 2021	100	723574	15.9301
	Transfer			17 Dec 2021	100	723674	15.9323
	Transfer			25 Feb 2022	100	723774	15.9345
	Transfer			04 Mar 2022	100	723874	15.9367
	Transfer			18 Mar 2022	100	723974	15.9389
	At the end of the Year					723974	15.9389

3	Bharati Ashok Sheth	402756	8.867				
	Transfer			30 Jun 2021	2	402758	8.8671
	Transfer			08 Oct 2021	100	402858	8.8693
	Transfer			26 Nov 2021	50	402908	8.8704
	Transfer			17 Dec 2021	235	403143	8.8755
	At the end of the Year					403143	8.8755
4	Swati Hemandra Badani	56854	1.2517	-	-	56854	1.2517
	At the end of the Year	-	-	-	-	56854	1.2517
5	Sanjay Ashok Sheth	62250	1.3705				
	Transfer			09 Apr 2021	500	62750	1.3815
	Transfer			18 Jun 2021	200	62950	1.3859
	Transfer			27 Aug 2021	300	63250	1.3925
	Transfer			18 Feb 2022	200	63450	1.3969
	Transfer			25 Mar 2022	401	63851	1.4057
	At the end of the Year					63851	1.4057
6	Sandip Manubhai Shah	13167	0.2899				
	Transfer			21 May 2021	(13167)	0	0.0000
	At the end of the year					0	0.0000
7	Sunita Mohanlal Kalani	13081	0.288				
	At the end of the year					13081	0.288
8	Shilpa Taneja	4700	0.1035	-	-	4700	0.1035
	At the end of the Year	-	-	-	-	4700	0.1035
9	Hemandra Jayant Badani	2100	0.0462	-	-	2100	0.0462
	At the end of the Year	-	-	-	-	2100	0.0462
10	Vora Shraddha Suneel	2000	0.044	-	-	2000	0.044
	At the end of the year	-	-	-	-	2000	0.044

11	Jeni Isak Rangwala	950	0.0209	-	-	950	0.0209
	At the end of the Year	-	-	-	-	950	0.0209
12	Praful Maganlal Vora	800	0.0176			800	0.0176
	At the end of the year					800	0.0176
13	Gita Amin	500	0.011	-	-	500	0.011
	At the end of the Year	-	-	-	-	500	0.011
14	Sudhir Ramanlal Mehta	500	0.011	-	-	500	0.011
	At the end of the year	-	-	-	-	500	0.011
	Asmi Shah	-	-	-	-	1000	0.02
	At the end of the year	-	-	-	-	1000	0.02

**Ms. Asmi Shah is the daughter of our late Promoter Shri Sandip Manubhai Shah. The shares of Sandip Manubhai Shah were transmitted to Ms. Asmi Shah.*

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2021		Transactions during the year		Cumulative Shareholding at the end of the year 2022	
		no. of shares held	% of total shares of the company	date of transaction	no. of shares	no. of shares held	% of total shares of the company
1	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	165070	3.6342			165070	3.6342
	Transfer			12 Nov 2021	22010	187080	4.1187
	At the end of the year					187080	4.1187
2	Aditya Pankaj Shah	153222	3.3733			153222	3.3733
	Transfer			09 Apr 2021	7088	160310	3.5294
	Transfer			18 Feb 2022	7112	167422	3.6859
	Transfer			04 Mar 2022	10000	177422	3.9061
	At the end of the year					177422	3.9061

3	Jain Pal Jain	65367	1.4391			65367	1.4391
	Transfer			02 Jul 2021	(650)	64717	1.4248
	Transfer			17 Dec 2021	5201	69918	1.5393
	At the end of the year					69918	1.5393
4	Parag Shamji Ved	42000	0.9247			42000	0.9247
	At the end of the year					42000	0.9247
5	Sainath Vishwanath Rajadh Yaksha (HUF)	39677	0.8735			39677	0.8735
	Transfer			12 Nov 2021	200	39877	0.8779
	Transfer			14 Jan 2022	(207)	39670	0.8734
	Transfer			21 Jan 2022	(1000)	38670	0.8514
	At the end of the year					38670	0.8514
6	Rajshree Singh Deo	23381	0.5148			23381	0.5148
	Transfer			30 Apr 2021	472	23853	0.5251
	Transfer			04 Jun 2021	7794	31647	0.6967
	Transfer			18 Jun 2021	(1200)	30447	0.6703
	Transfer			30 Sep 2021	3060	33507	0.7377
	Transfer			15 Oct 2021	1488	34995	0.7704
	Transfer			22 Oct 2021	1213	36208	0.7972
	Transfer			29 Oct 2021	1278	37486	0.8253
	Transfer			05 Nov 2021	171	37657	0.8291
	Transfer			12 Nov 2021	139	37796	0.8321
	At the end of the year					37796	0.8321
7	Rajesh Harichandra Budhrani	0	0.0000			0	0.0000
	Transfer			31 Dec 2021	7571	7571	0.1667
	Transfer			07 Jan 2022	17429	25000	0.5504
	At the end of the year					25000	0.5504
8	Amita Sandip Shah	10998	0.2421			10998	0.2421
	Transfer			28 May 2021	13167	24165	0.5320
	At the end of the year					24165	0.5320
9	Sainath Vishwanath Rajadhyaksha	32805	0.7222			32805	0.7222
	Transfer			04 Jun 2021	(1000)	31805	0.7002
	Transfer			11 Jun 2021	(6841)	24964	0.5496
	Transfer			30 Jun 2021	(200)	24764	0.5452
	Transfer			23 Jul 2021	(500)	24264	0.5342
	Transfer			07 Jan 2022	(500)	23764	0.5232
	At the end of the year					23964	0.5276

10	J S Singhdeo	21090	0.4643			21090	0.4643
	At the end of the year					21090	0.4643
11	Ashok Maganlal Shah	51682	1.1378			51682	1.1378
	Transfer			28 May 2021	420	52102	1.1471
	Transfer			04 Jun 2021	(14664)	37438	0.8242
	Transfer			25 Jun 2021	(3000)	34438	0.7582
	Transfer			30 Jun 2021	(2796)	31642	0.6966
	Transfer			09 Jul 2021	(3915)	27727	0.6104
	Transfer			16 Jul 2021	(4000)	23727	0.5224
	Transfer			23 Jul 2021	(3000)	20727	0.4563
	Transfer			03 Dec 2021	497	21224	0.4673
	Transfer			10 Dec 2021	1595	22819	0.5024
	Transfer			17 Dec 2021	(3002)	19817	0.4363
	Transfer			31 Dec 2021	(241)	19576	0.4310
	Transfer			07 Jan 2022	(3250)	16326	0.3594
	Transfer			14 Jan 2022	(1259)	15067	0.3317
	Transfer			21 Jan 2022	(4561)	10506	0.2313
	Transfer			28 Jan 2022	(1125)	9381	0.2065
	At the end of the year					9381	0.2065
12	Sakarben Maganlal Shah	29212	0.6431			29212	0.6431
	Transfer			02 Apr 2021	(18)	29194	0.6427
				14 May 2021	600	29794	0.6559
				04 Jun 2021	(13074)	16720	0.3681
				11 Jun 2021	(8000)	8720	0.1920
				18 Jun 2021	(300)	8420	0.1854
				02 Jul 2021	(524)	7896	0.1738
				09 Jul 2021	(2783)	5113	0.1126
				16 Jul 2021	(2000)	3113	0.0685
	At the end of the year					3131	0.0689
13	Dipak Kanayalal Shah	100000	2.2016			100000	2.2016
	Transfer			25 Jun 2021	(10000)	90000	1.9814
	Transfer			30 Jun 2021	(2000)	88000	1.9374
	Transfer			16 Jul 2021	(28000)	60000	1.3210
	Transfer			23 Jul 2021	(5000)	55000	1.2109
	Transfer			13 Aug 2021	(5000)	50000	1.1008
	Transfer			31 Dec 2021	(50000)	0	0.0000
	At the end of the year					0	0.0000

Notes :

- Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 4542176 Shares.

- The details of holding have been clubbed based on PAN.
- % of total Shares of the Company is based on the paid-up capital of the Company at the end of the Year

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr No	Name & Type Of Transaction	Shareholding at the beginning of the year - 2021		Transactions during the year		Cumulative Shareholding at the end of the year – 2022	
		No.of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
1	Harsh Hemandra Badani	778008	17.1285	-	-	778008	17.1285
	At the end of the year					778008	17.1285
2	Ashok Jivarajbhai Sheth	722794	15.9129				
	Transfer			27 Aug 2021	100	722894	15.9151
	Transfer			03 Sep 2021	100	722994	15.9173
	Transfer			10 Sep 2021	50	723044	15.9184
	Transfer			17 Sep 2021	130	723174	15.9213
	Transfer			24 Sep 2021	100	723274	15.9235
	Transfer			26 Nov 2021	100	723374	15.9257
	Transfer			03 Dec 2021	100	723474	15.9279
	Transfer			10 Dec 2021	100	723574	15.9301
	Transfer			17 Dec 2021	100	723674	15.9323
	Transfer			25 Feb 2022	100	723774	15.9345
	Transfer			04 Mar 2022	100	723874	15.9367
	Transfer			18 Mar 2022	100	723974	15.9389
	At the end of the year					723974	15.9389
3	Hemendra Jayant Badani	2100	0.0462			2100	0.0462
	At the end of the year					2100	0.0462
4	Shilpa Taneja	4700	0.1035			4700	0.1035
	At the end of the year					4700	0.1035

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment – Not Applicable.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL –

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In Rs.)

S No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ashok Sheth	Hemandra Badani	Harsh Badani	
1.	Gross salary	10,80,000/-	10,80,000/-	9,80,000/-	31,40,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,09,709/-	1,40,353/-	91,887/-	3,41,949/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as percentage of profit	-	-	-	-
	-others, specify	-	-	-	-
5.	Others, please specify (Incentive & Bonus)	2,40,000/-	2,40,000/-	2,35,000/-	7,15,000/-
6.	Retirement Benefits			1,08,000/-	1,08,000/-
	Total (A)				43,04,949/-
	Ceiling as per the Act	10% of Net Profit of the Company or as per Schedule V			

B. Remuneration to other directors:

(In Rs.)

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
	1. Independent Directors	Mr. Bharat Shah	Ms. Kesha Thakkar	Ms. Nishita Rajput	
	<input type="checkbox"/> Fee for attending board / committee meetings Commission Others, (Domestic Air Ticket)	30,000/-	20,000/-	20,000/-	70,000/-
	Total (1)	30,000/-	20,000/-	20,000/-	70,000/-
	2. Other Non-Executive Directors	Ms. Shilpa Taneja			
	Fee for attending board/ committee meetings Commission Others, (Domestic Air Ticket)	20,000/-			
	Total (2)	20,000/-			20,000/-
	Total (B)=(1+2)				90,000/-
	Total Managerial Remuneration	-			
	Overall Ceiling as per the Act	11% of Net Profit of the Company or as per Schedule V			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Name	Designation	Amount (p.a.)
01	Ms. Barkha Arora	Company Secretary	2,54,000/-

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of Board of Directors
Ashok J Sheth

Place: Vadodara
Date: 30/05/2022

Sd/-
Chairman
DIN: 00174006

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Development:

The Company is part of the industry broadly known as Capital Goods. The Capital Goods Industry consists of various products in different segments like Auto Ancillary industry, General Engineering industry, Aerospace and Defence Industry, Steel and Textile Industry. The Company is part of Capital Goods Industry known as Machine Tools Industry catering to various segments as explained above. Being part of Capital Goods Industry, fortunes of company is directly linked to the growth and progress of the industry to which it caters. The other relevant factors having bearing on the industry are government policies, import export policies, and incentive for investment available to the industries.

The Centerless Grinders manufactured by the company are used in the industry like Automobile, Automobile Ancillaries, Textiles Machinery, Steel Industry, Bearing Industry etc.

2. Opportunities and Threats:

The growth opportunity for the machine tools industry is in direct proportion to the industrial growth of other industries like Textile Machinery Industry, Automobile Industry, Steel Industry, Bearing Industry, etc. to which the Machine Tool Industry is supplementary Industry. During the last few years, the phenomenal growth in Automobiles Industry has largely contributed to the growth of machine tools industry and opportunity lies in the further growth anticipated in the Automobiles Industry as several multinational car manufacturer shifts their production base to India. Another potential growth opportunity lies in out sourcing of Automobile ancillary products from India, which has tremendous growth potential in the coming years.

3. Segment wise Performance:

Presently, company is dealing in single segment activity namely Machine Tools.

4. Outlook:

The long-term outlook for the industry is optimistic based upon the product innovation and cutting age technology for sustaining growth. The export market especially to U.S.A., Europe, etc. will sustain and an additional avenue is opened for exports to Australia, South America, Asia & others. The domestic demand will also grow in the current year.

5. Internal Control Systems and Their Adequacy:

Considering the size and nature of the business, presently adequate internal control systems are in place. However, as and when company achieves further growth and higher level of operations, company will review the internal control system to match with changed requirement.

The company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against unauthorized use or disposition and that transaction are authorized and recorded correctly.

The company has constituted Audit Committee consisting of non-executive and independent Directors to look into various aspects of Accounts. The company has a clearly defined organization structure in place.

6. The Financial and Operational Performance:

The financial statement is in confirmation with the provisions of the Companies Act, 2013 and applicable accounting standard recommended by the Institute of Chartered Accountants of India. The financial statement reflects the genuine desire for the transparency and best judgment for the estimates made on prudent and reasonable bases to correctly reflect the true and fair affairs of the company.

7. Human Resource Development:

The company believes that the main strength of any organization is its people. It is the people who build the system and create a climate to suit the growth and excellence in the company. The industrial relations, during the year were cordial.

8. Cautionary statement:

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments and Industrial growth within India and the countries in which the Company conducts business and other incidental factors.

REPORT ON CORPORATE GOVERNANCE:

Company's Philosophy on Corporate Governance:

Solitaire Machine Tools Limited believes that good Corporate Governance is essential to achieve long-term corporate goals, enhance shareholders' value and attain highest level of transparency. The Company is committed to achieve the highest standard of Corporate Governance, accountability and equity in all facets of its operations and in all interaction with stakeholders. The Company believes that all its operations and actions must serve the underlined goal of enhancing customers' satisfaction and shareholders' value over a sustained period of time.

I. Board of Directors:

- A. The Board of Directors comprises three Executive Directors (two are Executive Directors and Managing Directors and one of the three is Executive Director and Whole Time Director) and five non-executive directors.

During the year, Six Board Meetings were held on 30/05/2022; 12/08/2021; 11/11/2021 and 27/11/2021, 21/01/2022 and 10/02/2022.

- B. The Composition of the Board of Directors for the year ended 31st March, 2022 their attendance at the board meeting during the year and at the last Annual General Meeting along with number of other directorships, committee chairmanship/ memberships are as follows:

S.No.	Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM held on 15.07.2021	No. of other Directorship	Committee Membership/ Chairmanship	
						Member	Chairperson
1.	Mr. A. J. Sheth	Promoter, CMD and Executive	6	Yes	--	1	
2.	Mr. H. J. Badani	Promoter, MD and Executive	6	Yes	1	-	1
3.	Ms. Shilpa Taneja	Promoter and Non - Executive	5	Yes	2	1	1
4.	Mr. Harsh Badani	Promoter, WTD and Executive	4	Yes	2	1	-
6.	Mr. Bharat Shah	Independent	6	Yes	--	2	1
7.	Ms. Nishita Rajput	Independent	5	Yes	--	2	-
8.	Ms. Kesha Thakkar	Independent	5	Yes	--	1	1

Except sitting fees, no other remuneration is paid to Non-Executive Directors. Leave of absence is granted to the directors absent for meetings.

C. Appointment of Directors:

Mr. Hemandra Jayantilal Badani (DIN:0014330) and Mr. Harsh Badani (DIN:02282965), Director of the Company retiring by rotation and proposed to be re-appointed at the ensuing Annual General Meeting.

D. Code of Conduct:

The Company has laid down a code of conduct for all Board Members and senior management personnel of the company. The code of conduct is available on the website of the company at www.smtgrinders.com

II. Audit Committee:

Terms of Reference:

The Audit Committee comprises of three Non-Executive Directors under the Chairmanship of Ms. Shilpa Taneja, the other members in the Committee being Mr. Bharat Shah and Ms. Kesha Thakkar. All the members of the Audit Committee are financially literate.

During the year four Audit Committee Meetings were held on 31.05.2021, 11.08.2021, 06.11.2021 and 02.02.2022.

The attendance record of Audit Committee members is given below:

Name of the Directors	No. of Meetings	
	Held	Attended
1. Ms. Shilpa Taneja	4	4
2. Mr. Bharat Shah	4	4
3. Ms. Kesha Thakkar	4	4

This Committee comprises of two independent Directors and one promoter.

The Audit Committee is responsible for:

- Overseeing the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend the appointment of statutory auditors and fixation of their fees.
- Review of Accounting and financial policies and practices.
- Review of Internal Control Systems.
- Reviewing with the Management, the Quarterly and Annual Financial Statements before submission to the Board, to discuss their findings, suggestions and other related matters and to give recommendations on any such matter connected herewith which will be binding on the Board.
- To review the Company's financial and risk management policies, particularly relating to foreign exchange exposure.

III. Subsidiary Companies:

Company's wholly owned subsidiary M/s Shruichi Manufacturing Limited stands merged with the Company. The order of NCLT was received as on 29th April, 2020 being effective from 01st April, 2017.

IV. Other Disclosures:

A. Disclosure of Related Party Transactions:

All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee and the Board. All transactions with the related parties or others were on an arm's length basis.

B. Disclosure of Accounting Treatment:

All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

C. Risk Management Framework:

The company has in place mechanisms to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by the Executive Management through the means of a properly defined framework.

D. Proceeds from public issues, right issues, preferential issues, etc.:

No money has been raised from public issues, right issues, preferential issues, etc.

E. Nomination and Remuneration Committee:

During the financial year 2021-22, 2 (Two) meetings of Nomination and Remuneration Committee Meeting was held on 2nd August 2021 and 10th February 2022.

The Nomination and Remuneration Committee comprises of three Independent Directors under the Chairmanship of Ms. Kesha Thakkar, the other members in the Committee being Mr. Bharat Shah and Ms. Nishita Rajput.

F. Remuneration paid / payable to Managing Director for the year ended 31st March, 2022.

Managing /Executive/Whole-time Director	Salary (Rs.)	Annual Exgratia (performance linked incentive)	Bonus (Rs.)	Perquisites (Rs.)	Retirement Benefits (Rs.)	Stock Option
Mr Ashok J Sheth	10,80,000	1,50,000/-	90,000/-	1,09,709/-	-	-
Mr Hemendra Badani	10,80,000	1,50,000/-	90,000/-	1,40,353/-	-	-
Harsh Badani	9,80,000	1,50,000/-	85,000/-	91,887/-	1,08,000	

G. Stakeholders Relationship Committee:

The Company has reconstituted Stakeholders Relationship Committee on 18th May 2019 under the Chairmanship of Mr. Hemendra Badani.

This Committee comprises of:

1. Mr. Hemendra Badani
2. Mr. Ashok J Sheth
3. Ms. Shilpa Taneja

Terms of Reference:

To look into all the complaints received from the shareholders regarding share transfers, non-receipt of Balance Sheet, dividend, etc.

Ms. Barkha Arora, Company Secretary has been designated as Compliance Officer for the Financial Year ended 31st March 2022.

During the Financial Year ended 31st March, 2022, the committee met twice on 16th September 2021 and 28th January, 2022.

During the Financial Year ended 31st March, 2022, 2 complaints were received from members. As on 31st March, 2022 there were no complaints / queries and pending replies.

H. General Body Meetings:

Location and time for the last three Annual General Meetings:

Year	Location	Date	Time
2018-19	Gold Coins, 6, Arun Chambers, Next to A. C. Market, Tardeo Road, Mumbai 400 034	30.07.2019	03.00 p.m.
2019-20	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	07.09.2020	11.00 a.m.
2020-21	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	15.07.2021	11.00 a.m.

I. Means of Communication:

Company is publishing quarterly un-audited financial results with Bombay Stock Exchange every quarter and it is being updated on the Company's website.

J. General Shareholders Information:

i. AGM Date and Time	Saturday, the 16th July, 2022 at 11.00 a. m. through Video Conferencing
ii. Financial Calendar 2022-23	Probable Dates:
First quarterly results	Before mid of August, 2022
Audited Yearly Results	Before end of May, 2023
iii. Book Closure Date	Sunday, 10th July, 2022 to Saturday, 16th July, 2022 (both days inclusive)
iv. Dividend payment date	Within 30 days of AGM, if approved by shareholders of the Company
v. Listing on Stock Exchange.	Bombay Stock Exchange
vi. Stock Code:	522152
vii. Dematerialization ISIN No.	INE410A01013

viii. Market Price Data High/ Low during each month of the Financial Year 2021-22 at BSE.	Months	High (Rs.)	Low (Rs.)
	April, 2021	26.25	22.05
	May, 2021	27.95	21.65
	June, 2021	45.00	25.60
	July, 2021	52.95	39.00
	Aug, 2021	52.90	28.50
	Sept, 2021	38.75	31.00
	Oct, 2021	35.00	31.35
	Nov, 2021	37.50	31.30
	Dec, 2021	64.75	27.00
	Jan, 2022	67.85	52.10
	Feb, 2022	54.45	40.50
	March, 2022	49.35	38.75

K. Share Transfer System:

Board of Directors has delegated the power to approve the share transfers to Registrar and Share transfer agent M/s. Link Intime India Private Limited having its office at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083.

L. Distribution of Shareholding as on 31st March, 2022.

Shareholding of Nominal Value (INR)	No. of Shareholders	Share Amount (INR)	% of Total Share Amount
1 to 5000	3361	5607020.00	12.34
5001 to 10000	334	2786070.00	6.13
10001 to 20000	171	2633870.00	5.79
20001 to 30000	57	1464890.00	3.22
30001 to 40000	29	1039700.00	2.28
40001 to 50000	23	1110800.00	2.44
50001 to 100000	39	2867350.00	6.31
More than 100000	23	27912060.00	61.45
Total	4037	45421760.00	100.00

M. Shareholding Pattern as on 31st March, 2022

Category	No. of Share Held	% of Share Holding
Promoters	2051461	45.16
Banks, Financial Institutions, Insurance Companies, Mutual Funds	0.00	0.00
Foreign Financial Institutions	0.00	0.00

Central Government/ State Government (IEPF)	187080	4.12
Private /Other Corporate Bodies	51553	1.12
Indian Public	2091753	46.05
N. R. I.	40872	0.89
G. D. R. / A. D. R.	0.00	0.00
Others	119457	2.63
Total	4542176	100.00

N. Other Information

Dematerialization of shareholding and equity	Nearly 93.66% of total equity share capital (4254556) Shares are held in dematerialized form with NSDL and CDSL as on 31 st March, 2022.
Registrars and Share Transfer Agents	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083.
<u>For Dematerialization Shares</u>	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083
<u>For Physical Shares:</u> In House arrangement.	Solitaire Machine Tools Ltd Shop 3-A, Floor- Bas, Plot 731, Part 3, Arun Chamber, Pandit Madan Mohan Malviya Marg, Tardeo, Mumbai – 400034
Plant Locations	1. Solitaire Machine Tools Limited, 292, Dharamsinh Desai Marg, Chhani Road, Vadodara – 390 002 2. Solitaire Machine Tools Limited, A-24/ 25, Krishna Industrial Estate, Gorwa, Vadodara – 390 016
Address for correspondence	Solitaire Machine Tools Limited, A-24/ 25, Krishna Industrial Estate, Gorwa, Vadodara – 390 016

Sd/-
Ashok Sheth
Chairman
DIN: 00174006

Sd/-
Hemendra J Badani
Managing Director
DIN: 00143330

Sd/-
Barkha Arora
Company Secretary

Date: 30/05/2022
Place: Vadodara

V. CEO/ CFO Certificate:

To the Board of Directors of Solitaire Machine Tools Limited

We, Ashok Sheth, Chairman and Hemendra Badani, Chief Financial Officer (CFO) of Solitaire Machine Tools Limited, to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed the Balance sheet as at 31st March, 2022 and Profit & Loss Account for the year ended as on that date along with all its schedules, notes to the accounts and also the Cash Flow statements for the year ended 31st March, 2022 and based on our knowledge and information, confirms that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that may be misleading.
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. Based on our knowledge and information, there are no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- C. We along with Company's other certifying officers, accept responsibility for establishing and maintaining internal controls and that we have:
- i) evaluated the effectiveness of internal control system of the company, and
 - ii) disclosed to the Auditors and the Audit Committee, deficiencies, in the design or operations of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- D. We, along with Company's other certifying officers, have indicated to the Auditors and the Audit Committee:
- i) significant changes in the internal control during the year,
 - ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and
 - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Ashok Sheth
Chairman
DIN: 00174006

Sd/-
Hemendra J Badani
Managing Director
DIN: 00143330

Date: 30/05/2022
Place: Vadodara

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
M/s Solitaire Machine Tools Limited,
Mumbai.

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practice in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no noncompliance thereof during the year ended 31st March, 2022.

Date: 30/05/2022
Place: Vadodara

Sd/-
Barkha Arora
Compliance Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of **SOLITAIRE MACHINE TOOLS LIMITED**

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **SOLITAIRE MACHINE TOOLS LIMITED** ("**the Company**") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [*hereinafter referred to as "the financial statements"*]

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters;

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements.

<u>Key audit matters</u>	<u>How our audit addressed the key audit matter</u>
Revenue recognition (as described in Note 2(k) & Note 24 of the Standalone Financial Statements)	

The Company recognizes revenues when control of the goods is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration).

The terms of arrangements in case of domestic and exports sales, including those relating to the timing of transfer of control, the nature of discount and rebates arrangements, and delivery specifications, require judgment in their application, for determining revenues.

The risk of revenue being recognized without meeting the revenue recognition norms in accordance with Ind AS 115 'Revenue from contracts with customers', is determined to be a key audit matter.

Our audit procedures included the following:

- We evaluated the Company's order to cash processes, including design and implementation of controls and tested the operating effectiveness of such controls in relation to revenue recognition.
- On a sample basis, we tested revenue transactions to contracts with customers, purchase orders issued by customers, sales invoices raised by the Company and shipping records to determine the timing of transfer of control and the pricing terms, and the timing of revenue recognition in respect of such contracts.
- We performed substantive analytical procedures over disaggregated data of revenue transactions during the audit period to identify trends / patterns warranting additional audit procedures.
- We selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculations of those variable considerations on a sample basis.
- We read and understood, and evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance thereof with the policies in terms of Ind AS 115 - 'Revenue from Contracts with Customers'.
- We assessed the disclosures with applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information*, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Ind AS Financial Statement

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 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 Ind AS financial statements.

A further description of the auditor's responsibilities for the audit of the Ind AS financial statements is included in [Annexure A](#). This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the [Annexure B](#) a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors 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 Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure C”**
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 39 to the Ind AS financial statements;
- ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 45.10 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in Note 45.10 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the 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 (a) and (b) above, contain any material misstatement.
- v) (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) As stated in Note 33(A) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Dated: 30/05/2022
Place: Mumbai
UDIN: 22053071AJVQRF5004

For Ajay Shobha & Co.
Chartered Accountants
Firm’s Registration No. 317031E
Sd/-
Ajay Gupta
Partner
Membership No.053071

Annexure A

Responsibilities for Audit of Financial Statement

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

- Identify and assess the risks of material misstatement of 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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- 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 Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the

key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Ajay Shobha & Co.
Chartered Accountants
Firm's Registration No. 317031E

Sd/-

Ajay Gupta
Partner
Membership No.053071

Dated: 30/05/2022
Place: Mumbai
UDIN: 22053071AJVQRF5004

Annexure 'B' to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2022, we report that:

1. (a)(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right- of- use assets.
(B) As per the information and explanation given to us, the company does not own any Intangible Assets.

(b) As per the information and explanations given to us physical verification of Property, Plant and Equipment has been carried out once during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its business.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) As informed and explained to us, the management has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (previously known as Benami Transactions (Prohibition) Act, 1988) and rules made thereunder.
2. (a) According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management and there is no material discrepancies were noticed.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

3. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, but not provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, the provisions of clause 3 (iii) (a),(c),(d),(e),(f) of the Order are not applicable to the Company and hence not commented upon.

(b) In our opinion, the investments made are, prima facie, not prejudicial to the Company's interest.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 & 186 of the act in respect of investments, guarantees & securities provided by it. Further the company has not granted any loans to those who are covered by the provisions of section 185 & 186 of the act.

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of provisions of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.

6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7. (a) According to the information and explanations given to us and the records examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees state insurance, income-tax, customs duty, cess and other statutory dues wherever applicable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, Goods and service tax, customs duty, cess and other statutory dues were in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, the following dues of income tax and customs have not been deposited by the company on account of dispute:

Name of the Statute	Nature of the Dues	Amount ` (Net of Payment) Rs.	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	DGFT-penalty	2,300,000	1999-2000	Writ No. 1957 of 2000 before Delhi High Court
Income Tax Act, 1961	Demand raised u/s 143(1a)	435,236	2011-2012	Rectification filed u/s 154 of Income Tax Act, 1961.
Income Tax Act, 1961	Demand raised u/s 143(1a)	1,88,710	2012-2013	Rectification filed u/s 154 of Income Tax Act, 1961.
Income Tax Act, 1961	Demand raised u/s 220(2)	215	2016-2017	Rectification filed u/s 154 of Income Tax Act, 1961.
Income Tax Act, 1961	Demand raised u/s 143(1a)	34,360	2020-2021	Rectification u/s 154 pending to be filed

8. According to the explanations and information given to us by the management and as verified by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to lenders.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has no subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(f) of the Order is not applicable.
10. (a) The Company has not raised money by way of initial public offer, further public offer (including debt instruments) during the year.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (b) As per our information and according to the explanations given to us, no whistle blower complaints were received by the company during the year.
12. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us and because of examination of books and records of the company carried out by us, all the transactions with the related parties are in compliance with provisions of section 177 and 188 of the act, where applicable. The details of such transactions have been disclosed in the Ind AS financial statements as required by applicable Accounting Standards.
14. (a) In our opinion and according to the information and explanation given by management, the Company has an internal audit system commensurate with the size and the nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors

or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

16. (a) According to the information and explanations given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
(b) According to the information and explanations given to us by the management, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
(c) According to the information and explanations given to us by the management, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
(d) According to the information and explanations given to us by the management, the Group does not have any CIC as part of the Group, hence clause (xvi)(d) of paragraph 3 of the said order is not applicable to the company.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
21. Since this report is being issued in respect of standalone financial statements of the company, hence clause (xxi) of paragraph 3 of the said Order is not applicable.

For Ajay Shobha & Co.
Chartered Accountants
Firm's Registration No. 317031E

Sd/-
Ajay Gupta
Partner
Membership No.053071

Dated: 30/05/2022
Place: Mumbai
UDIN: 22053071AJVQRF5004

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SOLITAIRE MACHINE TOOLS LIMITED

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 Solitaire Machine Tools Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error

or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E

Sd/-
Ajay Gupta
Partner
Membership No. 053071

Place: Mumbai
Dated: 30/05/2022
UDIN:- 22053071AJVQRF5004

SOLITAIRE MACHINE TOOLS LIMITED
Balance Sheet As At 31st March, 2022

(Amounts in Lacs.)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	640.65	670.81
Capital Work-in-Progress		4.13	0.00
Other non current Investment	4	0.21	0.16
Financial Assets			
Other Financial Assets	5	6.80	6.87
Other Non-Current Assets	6	3.59	3.59
Total Non Current Assets		655.39	681.44
Current Assets			
Inventories	7	665.69	481.23
Financial Assets			
Investments	8	129.89	217.76
Trade Receivables	9	161.45	301.66
Cash and Cash Equivalents	10	39.30	44.68
Bank Balances other than above	11	312.81	270.06
Other Financial Assets	12	6.53	5.79
Other Current Assets	13	28.92	18.73
Total Current Assets		1344.59	1339.91
TOTAL ASSETS		1999.98	2021.35
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	454.22	454.22
Other Equity		1136.83	1073.44
Total Equity		1591.05	1527.66
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	15	37.96	40.58
Non-Current Liabilities			
Other Non Current Liabilities	16	0.00	109.16
Borrowings	17	47.40	0.00
Non Current Provisions			
Gratuity	18	2.58	8.85
Total Non-Current Liabilities		1678.99	1686.26
Current Liabilities			
Financial Liabilities			
Trade Payables	19	175.10	108.80
Other Current Financial Liabilities	20	64.99	113.91
Other Current Liabilities	21	78.57	106.19
Provisions	22	0.00	6.19
Current Tax Liabilities (Net)	23	2.32	0.00
Total Current Liabilities		320.99	335.09
TOTAL EQUITY AND LIABILITIES		1999.98	2021.35
Significant Accounting Polices and Notes on Accounts AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AJAY SHOBHA & CO.	1 to 48	FOR AND ON BEHALF OF THE BOARD	
FIRM REGISTRATION NO. 317031E		Sd/-	
CHARTERED ACCOUNTANTS		(ASHOK JIVRABHAI SHETH)	
Sd/-		CHAIRMAN & MD; DIN 00174006	
AJAY GUPTA		Sd/-	
PARTNER; MEMBERSHIP NO. : 053071		(HEMANDRA JAYANTILAL BADANI)	
UDIN- 22053071AJVQRF5004		VICE CHAIRMAN & MD; DIN 00143330	
PLACE : VADODARA; DATE- 30/05/2022		Sd/-	
		Barkha Arora; Company Secretary	

SOLITAIRE MACHINE TOOLS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2022

(Amounts in Lacs.)

Particulars	Note No.	For Year Ended 31st March, 2022	For Year Ended 31st March, 2021
INCOME			
Revenue from Operations	24	1357.91	1715.93
Other Income	25	29.81	86.38
TOTAL INCOME		1387.72	1802.32
EXPENSES			
Cost of Materials Consumed	26	776.73	591.27
Changes in Inventories of Finished Goods, Stock-in -Trade and work-in-progress	27	(139.51)	463.33
Employee Benefits Expense	28	322.81	292.19
Finance Costs	29	12.07	11.56
Depreciation and Amortization Expense	3	57.23	65.42
Other Expenses	30	236.15	211.66
Total Expenses		1265.47	1635.45
PROFIT BEFORE TAX		122.25	166.87
Exceptional Item	41	18.90	0.00
PROFIT BEFORE TAX		141.15	166.87
Tax expense:			
(1) Current Tax		35.00	30.00
(2) (Excess)/Short Provision of Tax relating to Earlier Years		4.32	
(3) Deferred Tax		(3.72)	(4.94)
		35.59	25.06
PROFIT FOR THE YEAR		105.56	141.81
Other Comprehensive Income (net of tax)			
A (i) Items that will not be reclassified to profit or loss		4.36	(3.44)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss		1.10	0.96
(ii) Income tax relating to items that will be reclassified to profit or loss			
TOTAL OTHER COMPREHENSIVE INCOME		3.26	(2.48)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the year)		108.82	139.33

EARNING PER EQUITY SHARE IN (RS) (Face value per share Rs 10 each)			
(1) Basic	38	2.32	3.12
(2) Diluted		2.32	3.12
Significant Accounting Polices and Notes on Accounts	1 to 48		
AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AJAY SHOBHA & CO. FIRM REGISTRATION NO. 317031E CHARTERED ACCOUNTANTS		FOR AND ON BEHALF OF THE BOARD	
Sd/- AJAY GUPTA PARTNER		Sd/- (ASHOK JIVRABHAI SHETH) CHAIRMAN & MANAGING DIRECTOR DIN NO.00174006	
MEMBERSHIP NO. : 053071 UDIN- 22053071AJVQRF5004 PLACE : VADODARA DATE : 30/05/2022		Sd/- (HEMANDRA JAYANTILAL BADANI) VICE CHAIRMAN & MANAGING DIRECTOR DIN NO.00143330 Sd/- Barkha Arora; Company Secretary	

SOLITAIRE MACHINE TOOLS LIMITED**Cash Flow for the year ended as on 31ST March, 2022**(Amounts in
Lacs.)

Particulars	Year Ended, 31st March, 2022	Year Ended, 31st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
<u>Net Profit as per Profit & Loss Account</u>	108.82	139.33
Adjustment for:		
Depreciation and Amortisation	57.23	65.42
Tax Provision for Taxation & Deferred Tax	36.69	24.10
Interest Income	(18.80)	(7.91)
Realised Gain/(Loss) on sale of Investments through Profit & Loss	(1.92)	(2.09)
Unrealised Gain/(Loss) on Investments through Profit & Loss	(5.26)	(0.05)
Interest Paid	0.00	0.00
Exceptional Items-excess dep. Written-back	0.00	(56.82)
Profit on sale of Current and Non Current Investments (Net)	0.00	0.00
<u>Operating Profit Before Working Capital Changes</u>	176.75	161.99
Adjustment for:		
Trade payable and other liability	(16.43)	(100.45)
other non current liabilities	(115.44)	(10.16)
Trade Receivables	140.21	(245.46)
Inventories	(184.46)	466.73
Financial and other Assets	(14.11)	21.95
<u>Cash Generated From Operations</u>	(13.49)	294.61
Direct Taxes Paid (net of refunds)	(33.73)	(57.31)
Net Cash From Operating Activities (A)	(47.22)	237.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(27.07)	(8.06)
Work in Progress	(4.13)	0.00
Interest received	18.80	7.91
Investments in Bank Deposits having original maturity of more than 3 months	(42.75)	(248.83)
Purchase of Current Investments	(79.46)	(170.00)
Sale of Investments	174.46	180.04
Net Cash From Investing Activities (B)	39.86	(238.93)

C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	47.40	0.00

Repayment of Borrowings	0.00	0.00
Interest paid		
Equity Dividends paid	(45.42)	(34.07)
Net Cash From Financing Activities (C)	1.98	(34.07)
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(5.38)	(35.70)
Closing Balance of Cash and Cash Equivalents	39.30	44.68
Opening Balance of Cash and Cash Equivalents	44.68	80.38
Notes:		
1. Figures in bracket indicate cash outflow.		
2. Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable.		
3. Cash and Cash equivalents comprises of:		
On hand	0.01	0.01
With Banks		
In Current Accounts	39.30	44.67
In Deposit Accounts maturing within 3 months	0.00	0.00

Notes :

1. The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Ind AS-7

on statement of Cash Flow as notified under the Companies Accounts) Rules, 2015.

2. Previous year's figures have been regrouped and rearranged wherever necessary

AS PER OUR REPORT OF EVEN DATE
ATTACHED

FOR AJAY SHOBHA & CO.
FIRM REGISTRATION NO.
317031E

CHARTERED ACCOUNTANTS

Sd/-

AJAY GUPTA

PARTNER

MEMBERSHIP NO. : 053071

UDIN- 22053071AJVQRF5004

PLACE : VADODARA

DATE : 30/05/2022

FOR AND ON BEHALF OF THE BOARD

Sd/-

(ASHOK JIVRABHAI
SHETH)

CHAIRMAN & MANAGING DIRECTOR

DIN NO.00174006

Sd/-

(HEMANDRA JAYANTILAL BADANI)

VICE CHAIRMAN & MANAGING DIRECTOR

DIN NO.00143330

Sd/-

Barkha Arora; Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(Amounts in
Lacs.)

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2022		
Balance as at 31 st March, 2021	Changes in equity shares capital during the year ended	Balance as at 31st March, 2022
454.22	0.00	454.22

For the year ended 31st March, 2021		
Balance as at 1st April, 2020	Changes in equity shares capital during the year ended	Balance as at 31st March, 2021
454.22	0.00	454.22

(B) OTHER EQUITY

(Amounts
in Lacs.)

For the year ended 31st March, 2022				
Particulars	RESERVES & SURPLUS			TOTAL
	Capital Reserve	General Reserve	Retained Earnings	
Balance at 1st April, 2021	20.78	13.64	1039.02	1073.44
Profit for the Year	0.00		105.56	105.56
Retained Earnings				0.00
Remeasurement of the net defined benefit liability/asset, net of tax effect			3.26	0.00 3.26
Dividends Paid (including corporate dividend tax)			45.42	45.42
Transfer to General Reserves			1102.41	1136.83
Loss of Shruchi Manufacturing Company Ltd transferred pursuant to Scheme of Merger approved by NCLT order dated ----				
Balance at 31st March 2022	20.78	13.64	1102.41	1136.83

(Amounts
in Lacs.)

For the year ended 31st March, 2021				
Particulars	RESERVES & SURPLUS			TOTAL
	Capital Reserve	General Reserve	Retained Earnings	
Balance at 1st April, 2020	20.78	13.64	933.75	968.18
Profit for the Year	0.00		141.81	141.81
Remeasurement of the net defined benefit liability/asset, net of tax effect			(2.48)	(2.48)
Dividends Paid (including corporate dividend tax)			(34.07)	(34.07)
Loss of Shruchi Manufacturing Company Ltd transferred pursuant to Scheme of Merger approved by NCLT order dated ----				0.00
Balance at 31st March 2021	20.78	13.64	1039.01	1073.44

This is the Other Equity Statement referred to in our report of even date.

Significant Accounting Policies and Notes on Accounts

1 to 48

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AJAY SHOBHA & CO.

FIRM REGISTRATION NO. 317031E

CHARTERED ACCOUNTANTS

Sd/

-

AJAY GUPTA

PARTNER

MEMBERSHIP NO. : 053071

UDIN-22053071AJVQRF5004

PLACE : VADODARA

DATE : 30/05/2022

FOR AND ON BEHALF OF THE BOARD

Sd/-

(ASHOK JIVRABHAI SHETH)

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DIN NO.00174006

Sd/-

(HEMANDRA JAYANTILAL BADANI)

VICE CHAIRMAN & MANAGING DIRECTOR

DIN NO.00143330

Sd/-

Barkha Arora; Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

1 Company Overview

SOLITAIRE MACHINE TOOLS LIMITED (the Company) is a Public Limited Company incorporated in India. The Company is engaged in the business of manufacturing and rebuilding Precision Centerless Grinders.

2 Significant Accounting Policies

(a) Statement of Compliance

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards)(Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30/05/2022

(b) Basis of Preparation and Presentation:

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- ii) Employee's Defined Benefit Plan as per actuarial valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- ii) It is held primarily for the purpose of trading; or
- iii) It is expected to realise the asset within twelve months after the reporting period; or
- iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- i) It is expected to be settled in the normal operating cycle; or

- ii) It is held primarily for the purpose of trading; or
- iii) It is due to be settled within twelve months after the reporting period; or
- iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

(d) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

(f) Intangible Assets and Amortisation:

- Internally generated Intangible Assets: (Research and Development expenditure)

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of

Profit and Loss.

· Intangible Assets acquired separately:

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

(g) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Inventories:

Inventories are valued as follows:

- Raw materials, stores & spare parts, cutting tools and holding tools:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at

cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

- Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:
Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on FIFO basis.

(i) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(j) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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, is disclosed as a contingent liability. Contingent liabilities are also 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 Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liability

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset

and is recognised.

(k) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

Sale of goods: Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and outgoing taxes .

Other Income:

- Dividend Income is accounted for when the right to receive the income is established.
- Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

(l) Employee benefits:

Defined benefit plan

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plan

Employee's Family

Pension

The Company has Defined Contribution Plan for Post Employment benefits in the form of family pension for eligible employees, which is administered by the Regional Provident Fund Commissioner. Company has no further obligation beyond its contributions.

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where

the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to the Trust set up and administered by the Company. If the board of trustees are unable to pay interest at the rate declared by the government under Para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company obtains actuarial valuation and having regard to the assets of the fund and the return on investments, the Company does not expect any deficiency as at the year end. If there is a deficiency as at any Balance Sheet date, then, the same will be recognized in the Statement of Profit or Loss / Other Comprehensive Income in the year in which it arises.

Short-term and other long-term employee benefits

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

Compensated Absences

The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(m) Income Tax:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting

date and are reduced to the extent that it is no longer probable

(n) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

(o) Foreign Currency transactions:

in preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings

(p) Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value thr All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTP Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the

Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a

On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of equity investments classified as FVOCI, accumulated gains or loss recognised in OCI is transferred to retained earnings.

(q) Financial liabilities and equity instruments:

■ „Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the

■ „Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(r) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

Critical accounting judgments and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(s) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(i) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(ii) Defined benefit plans:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long- term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Impairment of Assets:

The Company has used certain judgments and estimations to estimate future projections and discount rates to compute value in use of cash generating unit and to assess impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

(s) Amalgamation of Shruchi Manufacturing Ltd.-Wholly owned subsidiary Company

Pursuant to the Scheme of Amalgamation ("The scheme") of Shruchi Manufacturing Limited (SHRUCHI) (Transferor Company) with Solitaire Machine Tools Limited (SMTL) (Transferee Company) sanctioned by Hon'ble National Company Law tribunal (NCLT) on 29th April 2020, all the assets and liabilities of the Transferor company are transferred, in the books of Transferee company, at the value appearing in the books of account of SHRUCHI as on appointed date i.e 1st April, 2017

3. PROPERTY PLANT AND EQUIPMENT (PPE)

(Amounts in Lacs.)

	LAND	BUILDING	PLANT & MACHINERY	FURNITURE & FIXTURES	OFFICE PREMISES	OFFICE EQUIPMENTS	ELECTRICAL INSTALLATIONS	COMPUTERS	VEHICLES	CapitalWork in Progress	RIGHT OF USE - Land	TOTAL
Gross Carrying Value												
As on 31.03.2017	53.02	227.71	433.65	22.49	8.17	2.96	3.42	0.37	39.75			791.55
Addition		0.00	6.32	0.00	0.00	1.55	0.00	0.73	14.08			22.68
As on 31.03.2018	53.02	227.71	439.96	22.49	8.17	4.51	3.42	1.10	53.84			814.23
Addition		0.00	42.99	0.00	0.00	0.70	0.00	0.49	0.00			44.18
As on 31.03.2019	53.02	227.71	482.96	22.49	8.17	5.21	3.42	1.59	53.84		0.00	858.41
Addition		0.00	8.42	0.00	0.00	0.00	0.00	3.11	0.00		135.74	147.26
Disposal/write back			38.97				4.89					38.97
As on 31.03.2020	53.02	227.71	530.35	22.49	8.17	10.10	3.42	4.70	53.84		135.74	1049.54
Addition			5.06			0.38		2.62			0.00	8.06
As on 31.03.2021	53.02	227.71	535.41	22.49	8.17	10.48	3.42	7.32	53.84		135.74	1057.60
Addition			8.36	12.26		3.68	0.98	1.79			0.00	27.07
Work in Progress												0.00
As on 31.03.2022	53.02	227.71	543.76	34.75	8.17	14.16	4.40	9.11	53.84	0.00	135.74	1084.66
										4.13		
Accumulated Depreciation												
As on 31.03.2017	0.00	12.15	46.00	5.67	0.85	0.64	1.16	0.19	9.43		0.00	76.11
Depreciation for year 2018		12.23	59.39	4.38	0.85	1.55	1.02	0.33	11.17			90.91
As on 31.03.2018	0.00	24.37	105.39	10.05	1.71	2.19	2.18	0.52	20.60		0.00	167.02
Depreciation for the year 2018	0.00	11.85	66.36	4.65	0.85	2.56	0.35	0.68	11.06		0.00	98.37
As on 31.03.2019	0.00	36.23	171.76	14.70	2.56	4.76	2.53	1.20	31.66		0.00	265.39
Depreciation for the year 2019	0.00	11.81	78.94	5.23	0.85	3.62	0.35	1.85	13.98		0.00	116.64
			18.06									18.06
As on 31.03.2020	0.00	48.04	268.76	19.93	3.41	8.38	2.88	3.05	45.64		0.00	400.09
Depreciation for the year 2020	0.00	11.63	42.94	1.74	0.85	0.78	0.34	2.08	5.06		0.00	65.42
Disposal/write back		0.75	58.40	3.22		0.01		1.18	15.17			78.73
As on 31.03.2021	0.00	58.93	253.30	18.45	4.27	9.15	3.22	3.94	35.53		0.00	386.78
Depreciation for the year 2021		11.61	36.46	1.03	0.85	0.79	0.03	2.08	4.38			57.23
Work in Progress												0.00
As on 31.03.2022		70.53	289.76	19.48	5.12	9.15	3.25	6.02	39.92			444.01
WDV as on 31.03.2022	53.02	157.18	254.00	15.27	3.05	5.01	1.15	3.09	13.92	4.13	135.74	640.65
WDV as on 31.03.2021	53.02	168.78	282.11	4.04	3.90	1.34	0.20	3.38	18.31		135.74	670.81
WDV as on 31.03.2020	53.02	179.67	261.59	2.56	4.76	1.73	0.54	1.65	8.19		135.74	649.45
WDV as on 31.03.2019	53.02	191.48	311.20	7.79	5.61	0.46	0.89	0.39	22.18		0.00	593.02
WDV as on 31.03.2018	53.02	203.34	334.57	12.44	6.46	2.32	1.24	0.58	33.24		0.00	647.21
WDV as on 31.03.2017	53.02	215.56	387.64	16.82	7.32	2.32	2.26	0.18	30.32		0.00	715.44

Capital work - in – progress

Particulars	As at March 31,	
	2022	2021
Capital work-in-progress	4.13	0.00
Total Capital work-in-progress	4.13	0.00

The Capital work in progress ageing schedule for the years ended March 31, 2022 and March 31, 2021 is as follows:

Amount in Capital work- progress

Particulars	for a period of		1-2 years	2-3 Years	More than 3 years	Total
	Less than 1 year					
Projects in progress	4.13	0.00	0.00	0.00	0.00	4.13
	(-)	(-)		(-)	(-)	(-)
Total Capital work-in-progress	4.13	0.00	0.00	0.00	0.00	4.13

4 NON-CURRENT INVESTMENTS

(Amounts
in Lacs.)

	Investments in Equity Shares (fully paidup)	Number of Shares	Face Value Per Share	As at 31st March 2022	As at 31st March 2021
1)	Quoted Investments NON-TRADE – QUOTED 100 Equity Shares of Kirloskar Ferrous Ltd of ` . 10/- each fully paid up. Market Value 21460/- (Previous Year: 16430 /-) transferred form Shruchi Mfg Co. Ltd	100	10	0.21	0.16
				0.21	0.16

Aggregate amount of Quoted Investments

0.21 0.16

5 OTHER FINANCIAL ASSETS

Particulars	As at 31st March 2022	As at 31st March 2021
a. (Unsecured, Considered Good)		
Loan to Subsidiary Company	0.00	0.00
Loans & Advances to Employees	2.20	2.27
Security Deposits	4.60	4.60
b. Loans Receivables which have significant increase in Credit Risk	0.00	0.00
c. Loans Receivables - credit impaired	0.00	0.00
TOTAL	6.80	6.87

6 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured, Considered Good)		
Advances to Gratuity Trust	0.05	0.05
Duty Recoverable under Protest	3.54	3.54
TOTAL	3.59	3.59

7 INVENTORIES

Particulars	As at 31st March 2022	As at 31st March 2021
(Valued at lower of cost or NRV)		
(Semi Finished Goods valued on percentage of work executed on contracted price)		
Raw Materials – Components	182.40	135.77
Semi Finished Goods	455.53	295.50
Rebuilding in Process	0.00	20.51
Spares in Process	0.00	
Cutting Tools	3.39	5.10
Holding Tools	1.87	1.84
Finished Grinders	22.50	22.50
TOTAL	665.69	481.23

Refer Note 2(h) for mode of valuation of Inventories

8 CURRENT INVESTMENTS

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in mutual funds		
Quoted		
Axis Liquid Fund - Growth (No of Units: 1348.29)	31.68	90.00
Axis Enhanced Arbitrage Funds (No of Units: -)	0.00	81.89
Axis Multicap Fund (No of Units: 99995.00)	9.82	0.00
Axis Triple Advantage Fund-Growth (No of Units: 81954.39)	24.71	0.00
HDFC Balanced Advantage Fund-Regular Plan-Growth (No of Units: 2840.30)	8.11	0.00
HDFC SHORT TERM DEBT FUND (No of Units: -)	0.00	7.51
ICICI Prudential Balanced Advantage Fund -Regular-Growth (No of Units: 23586.9310)	11.69	10.43
ICICI Prudential Balanced Advantage Fund-Regular Plan-Growth (No of Units: 10662.80)	5.28	0.00

ICICI Prudential Short Term Fund (No of Units: -)	0.00	5.02
IDFC BANKING & PSU DEBT FUND (No of Units: -)	0.00	12.54
IDFC Balanced Advantage Fund-Regular Plan-Growth (No of Units: 123564.91)	22.13	0.00 0.00
Kotak Balanced Advantage Fund Regular Plan-Growth (No of Units: 78524.3080)	11.31	10.35
SBI Balanced Advantage Fund (No of Units: 49997.50)	5.15	0.00
TOTAL	129.89	217.76

Aggregate amount of Quoted investments and market value **129.89** **217.76**

9 TRADE RECEIVABLES

Particulars	As at 31st March 2022	As at 31st March 2021
a. (Unsecured, Considered Good)		
Trade receivables from related parties	0.00	0.00
Receivables from other than related parties	161.45	301.66
b. Trade Receivables which have significant increase in Credit Risk	0.00	0.00
c. Trade Receivables - credit impaired	0.00	0.00
TOTAL	161.45	301.66

The trade receivables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021 is as follows :

PARTICULAR	NOT DUE	Outstanding for following periods from due date of payment					TOTAL
		LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
Undisputed Trade Receivables - Considered good	0.29	66.80	8.11	61.20	0.00	25.05	161.45

	0.00	(247.54)	(22.20)	(0.52)	-	(31.40)	(301.66)
Undisputed Trade Receivables - Credit Impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Trade Receivables - Considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Trade Receivables - Credit Impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Trade Receivables as on 31.03.2022	0.29	66.80	8.11	61.20	0.00	25.05	161.45
Total Trade Receivables as on 31.03.2021	0.00	(247.54)	(22.20)	(0.52)	-	(31.40)	(301.66)

10 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and Cash equivalents		
Cash on Hand	0.01	0.01
Bank Balances		
In Current Accounts	15.11	20.78
<u>Earmarked Balances with Banks</u> For Unpaid Dividend	24.18	23.89
TOTAL	39.30	44.68

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposit With Bank (Fixed Deposit With YES Bank of Rs.1181108.10(P.Y Rs.1006454/-) is pledged against Bank Guarantee facilities)	312.81	270.06
TOTAL	312.81	270.06

Note: There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2022.

12 OTHER FINANCIAL ASSETS

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured, Considered Good) Interest accrued on FDR	6.53	5.79
TOTAL	6.53	5.79

13 OTHER CURRENT ASSETS

Particulars	As at 31st March 2022	As at 31st March 2021
(Unsecured, Considered Good) Advances to Suppliers	14.99	13.94
Others		
Prepaid Expense	2.27	0.02
Advance Tax and Tax at Source (Net of Provisions)	0.00	3.27
Statutory Receivables	11.65	1.50
TOTAL	28.92	18.73

14 SHARE CAPITAL

(Amounts in Lacs.)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
57,50,000 Equity Shares of Rs. 10.00 each (As at 31.03.2020 - 57,50,000 Shares, As at 01.04.2019 - 55,00,000 Shares) Authorised Capital Increased Pursuant to NCLT order dated 29.04.2020	575.00	550.00
Issued, Subscribed and Fully Paid - Up:		
45,42,176 Equity Shares of Rs. 10 each (Refer Notes below) (As at 31.03.2022 - 45,42,176 Shares, As at 01.04.2021 - 45,42,176 Shares)	454.22	454.22

a) Reconciliation of the Number of Shares and amount outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	45,42,176	454.22	45,42,176	454.22

b) The details of Shareholders holding more than 5% Shares:

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	%	No. of Shares	%	No. of Shares
Harsh H Badani	17.13	7,78,008	17.13	7,78,008
Ashok Jivarajbhai Sheth	15.94	7,23,974	15.91	7,22,794
Bharati Ashok Sheth	8.88	4,03,143	8.86	4,02,756

c) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

d) No bonus shares have been issued during five years immediately preceding 31st March, 2020.

e) Dividend Proposed, Declared and paid (Refer Note 33A)

f) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding of promoters

The details of the shares held by promoters as at March 31,2022 are as follows :

Sr. No	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	Harsh Hemendra Badani	778008	17.13	-
2	Ashok Jivrajbhai Sheth	723974	15.94	0.03
3	Bharti Ashok Sheth	403143	8.88	0.01
4	Sanjay Ashok Sheth	63851	1.41	0.04
5	Swati Hemendra Badani	56854	1.25	-
6	Sunita Mohanlal Kalani	13081	0.29	-
7	Shilpa Taneja	4700	0.1	-
8	Hemendra Jayant Badani	2100	0.05	-
9	Vora Shraddha Suneel	2000	0.04	-
10	Jeni Isak Rangwala	950	0.02	-
11	Praful Maganlal Vora	800	0.02	-
12	Gita Amin	500	0.01	-
13	Sudhir Ramanlal Mehta	500	0.01	-
14	Asmi S Shah	1000	0.02	0.02

The details of the shares held by promoters as at March 31,2021 are as follows :

Sr. No	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	Harsh Hemendra Badani	778008	17.13	-
2	Ashok Jivrajbhai Sheth	722794	15.91	0.03
3	Bharti Ashok Sheth	402756	8.87	0.02
4	Sanjay Ashok Sheth	62250	1.37	0.06
5	Swati Hemendra Badani	56854	1.25	-
6	Sandip Manubhai Shah	13167	0.29	-
7	Sunita Mohanlal Kalani	13081	0.29	-
8	Shilpa Taneja	4700	0.10	-
9	Hemendra Jayant Badani	2100	0.05	-
10	Vora Shraddha Suneel	2000	0.04	-
11	Jeni Isak Rangwala	950	0.02	-
12	Praful Maganlal Vora	800	0.02	-
13	Gita Amin	500	0.01	-
14	Sudhir Ramanlal Mehta	500	0.01	-

OTHER EQUITY

The balance in the Retained Earnings represents the accumulated profit after payment of dividends, transfer to General Reserve and adjustments of actuarial gains/(losses) on Defined Benefit Plans.

15 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
The balances is comprises of temporary differences attributable to:		
Property, Plant and Equipments	37.76	41.90
Financial Assets at Fair value through Profit or Loss	(0.90)	(0.36)
Others	1.10	(0.96)
Deferred Tax (Assets) / Liabilities	37.96	40.58

Movement in Deferred Tax Liabilities

Description	Property, Plant & Equipment	Financial Assets at FVPL	Others
As on 31st March, 2021	40.58		
Charged / (Credited)			
- To Profit and Loss			
As on 31st March, 2021	40.58		
Charged / (Credited)			
- To Profit and Loss	(2.82)	0.00	0.00
As on 31st March, 2022	37.76	(0.90)	1.10

16 OTHER NON CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
GUJARAT INDUSTRIAL DEVELOPMENT CORPORATION		
Deferred Payment Liability		90.26
OTHER PAYABLES		
Transferred from Shruchi Mfg. Ltd.pursuant to the scheme of Merger (Refer Note No. 41)		18.90
TOTAL	0.00	109.16

17 BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
From Yes Bank Ltd. (Baroda) TERM LOAN (Repayment in 60 months - Interest for first 24 months and Equal Monthly Installments for the balance 36 months) (The above loans are Secured against Immovable and movable properties of the Company including Plant & Machineries, stocks of all kinds, shares, Book debts and further by personal guarantee of some Directors)	47.40	0.00
TOTAL	47.40	0.00

18 NON CURRENT PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Provisions for Employee Benefits: Gratuity	2.58	8.85
TOTAL	2.58	8.85

19 TRADE PAYABLE

Particulars	As at March 31, 2022	As at March 31, 2021
A. total outstanding dues of micro enterprises and small enterprises	24.48	0.00
B. total outstanding dues of creditors other than micro enterprises and small enterprises (see note no.41)	150.62	108.80
TOTAL	175.10	108.80

Trade payables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021 is as follows :

PARTICULAR	NOT DUE	Outstanding for following periods from due date of payment				TOTAL
		OUTSTANDING LESS THAN 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
Outstanding Dues to MSME	24.48	0.00	0.00	0.00	0.00	24.48
	0.00	0.00	0.00	0.00	0.00	0.00
Others	112.50	36.86	0.00	0.00	1.27	150.62
	(106.97)	(0.56)	0.00	0.00	(1.27)	(108.80)
Total Trade Payables as on 31.03.2022	136.98	36.86	0.00	0.00	1.27	175.10
Total Trade Payables as on 31.03.2021	(106.97)	(0.56)	0.00	0.00	(1.27)	(108.80)

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OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long term borrowings	0.00	2.91
Unpaid Dividend Accounts *	24.18	23.89
Provision for Expenses	40.81	87.12
TOTAL	64.99	113.91

* There is no amount required to be credited to Investors Education and Protection Fund.

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Advances from Customers	78.57	106.19
Others		
Withholding and other Tax Payables	0.00	0.00
TOTAL	78.57	106.19

22 CURRENT PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits - Gratuity	0.00	6.19
TOTAL	0.00	6.19

23 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Payable	2.32	0.00
TOTAL	2.32	0.00

(Amounts in
Lacs.)**24 REVENUE FROM OPERATIONS**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Sale of Products	1161.82	1380.46
Revenue from Sale of Service	193.77	333.60
Other Operating Revenue		
Scrap Sales	2.32	1.87
TOTAL	1357.91	1715.93

25 OTHER INCOME

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Income (on Bank Deposits)	18.80	7.91
Dividend	0.00	3.51
Foreign Exchange Fluctuation	0.00	0.13
Profit on Sale of Assets	0.00	
Profit on Sale of Investment	1.92	0.05
Gain on Fair Valuation of Investments through Profit and Loss	5.26	2.09
Liabilities / Provisions no longer required written back		8.25
Miscellaneous Income	3.83	7.64
Excess Depreciation in prior years written-back		56.82
TOTAL	29.81	86.38

26 COST OF MATERIALS CONSUMED

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Opening Stock of Raw Materials	135.77	138.35
Add: Purchases	823.36	588.69
	959.13	727.04
Less: Closing Stock of Raw Materials	182.40	135.77
TOTAL	776.73	591.27

27 **CHANGE IN INVENTORIES OF FINISHED GOODS,
STOCK-IN-PROCESS AND STOCK-IN-TRADE**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Opening Stock		
Finished Goods	22.50	22.50
Semi-Finished Goods	295.50	449.27
Rebuilding in Process	20.51	330.04
Spares in Process		0.03
	338.51	801.84
Less: Closing Stock		
Finished Goods	22.50	22.50
Semi-Finished Goods	455.53	295.50
Rebuilding in Process	0.00	20.51
Spares in Process	0.00	
	478.03	338.51
(Increase) / Decrease in Stocks	(139.51)	463.33

28 **EMPLOYEE BENEFITS
EXPENSE**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Salaries and Wages	289.98	262.05
Contribution to Provident Fund and Other Funds	27.40	24.39
Staff welfare expenses	5.43	5.75
TOTAL	322.81	292.19

29 FINANCE COSTS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Expense		
Interest to Bank	0.89	0.38
Other Borrowing Cost	11.18	11.18
TOTAL	12.07	11.56

30 OTHER EXPENSES

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Consumption of Stores and spares	52.07	47.63
Power and fuel	20.55	16.68
Labour Contract Charges	22.67	18.09
Repair to Building	0.88	1.41
Repairs to Machinery	0.70	0.19
Insurance	1.17	3.28
Rent, Rates and Taxes	6.66	6.00
Bank Charges	1.96	2.69
<u>Auditor's Remuneration:</u>		
Statutory Audit Fee	100000	
Tax Audit Fee	100000	
Labour Charges	22.91	15.46
Travelling Expenses	19.61	7.25
Postage and Courier	0.94	0.88
Printing and Stationery	1.16	1.40
Telephone & Mobile	0.99	1.16
Legal & Professional Charges	11.54	14.61
Vehicle Expenses	7.67	6.79
Others Repairs	15.56	10.60
Security Charges	7.37	7.26
Advertisement	0.47	0.25
Export Expenses	0.97	0.80
Sales Expenses	4.47	4.31
Sales Commission	14.45	9.54
Packing Expenses	3.79	7.86
Registrar's Fees	0.00	0.13
Miscellaneous Expenses	10.96	21.02
Listing Fees	3.00	3.00

Computer Expenses	1.52	1.40
Foreign Exchange Fluctuation	0.14	
		0.00
TOTAL	236.15	211.66

31 **FINANCIAL RISK MANAGEMENT OBJECTIVES**
(IND AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

The sources of risks which the company is exposed to and their management are given below:

Credit Risk:

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Risk	Exposure Arising From	Measurement	Management
Liquidity Risks	Borrowings and Other Liabilities and Liquid investment	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Foreign Exchange Risk	Committed commercial transaction Financial asset and Liabilities denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets. Compliances of these policies and principles are reviewed by internal auditors on periodical basis

The Corporate Treasury team updates the Audit Committee on a quarterly basis to about the implementation of the above policies. It also updates to the Internal Risk Management Committee of

the Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to imports and exports of goods .

The Company evaluates that it is not significantly exposed to the exchange rate exposure arising from foreign currency transactions.

Outstanding unhedged foreign currency exposure as at	As at 31st March, 2022	As at 31st March, 2021
Trade receivables		
USD	-	1,15,632
EURO	-	-
GBP	-	-
Trade Payables		
USD	-	-

Sensitivity Analysis:

Impact on the Profit before tax if the Foreign Exchange rates changes by 5%:

Outstanding unhedged foreign currency exposure as at	As at 31st March, 2022	As at 31st March, 2021
USD & EURO Increase by 5%		
USD & EURO Decrease by 5%		
Increase/(Decrease) in profit before tax		

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost

The Company is not significantly exposed to the interest rate risk as there are no borrowings and other financial assets which are linked to the fluctuation to the interest rate risks.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price.

The Company's treasury department is responsible for liquidity, funding as well as settlement management.

In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities - As at March 31, 2022 (Amounts in Lacs.)

	0-12 Months	beyond 12 months	Total
Trade Payable	175.10	0.00	175.10
Other Financial liability (Current and Non Current)	64.99	0.00	64.99
Total	240.09	0.00	240.09

Maturity patterns of other Financial Liabilities - As at March 31, 2021

	0-12 Months	beyond 12 months	Total
Trade Payable	108.80	0.00	108.80
Other Financial liability (Current and Non Current)	113.91	0.00	113.91
Total	222.71	0.00	222.71

Credit rate risk:

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

- i) Actual or expected significant adverse changes in business.
- ii) Actual or expected significant changes in the operating results of the counterparty.
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- iv) Significant increase in credit risk on other financial instruments of same counterparty.

(Amounts
in Lacs.)

Ageing of accounts receivables	As at March 31, 2022	As at March 31, 2021
Not due	0.00	0.00
0-3 months	0.29	214.01
3-6 months	66.80	
6 months to 12 months	8.11	55.73
more than 12 months	86.26	31.92
Total	161.45	301.66

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

31(A) CLASSIFICATIONS OF FINANCIAL ASSETS AND LIABILITIES

) (IND AS 107):

(Amounts
in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial Assets at amortised cost		
Trade Receivables	161.45	301.66
Loans	6.80	6.87
Cash and Cash Equivalents	39.30	44.68
Bank balances other than above	312.81	270.06
Other Financial Assets	6.53	5.79
Financial Assets at fair value through profit or loss		
Investments	129.89	217.76

Financial Assets at fair value through other comprehensive income	0.00	0.00
Total	656.79	846.83
Financial Liabilities at amortised cost		
Cash Credits/Working Capital Borrowing	47.40	0.00
Trade payables	175.10	108.80
Other financial liabilities	64.99	113.91
Total	287.49	222.71

31(B) FAIR VALUE MEASUREMENTS (IND AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(Amounts
in Lacs.)

Particulars	Fair Value	
	As at 31st March, 2022	As at 31st March, 2021
Financial Assets at fair value through profit or loss		
Investments –Level 1	129.89	217.76

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- (a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- (b) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- (c) The fair value of the remaining financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

32 **SEGMENT REPORTING (IND AS 108):**

The Company is exclusively engaged in the business of manufacturing and selling Precision Centerless Grinders. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

33(A) **DISTRIBUTION MADE AND PROPOSED (IND AS 1):** (Amounts in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash Dividends on Equity Shares declared and paid:		
Final dividend for the year ended on 31st March, 2021: Rs. 1.00 per share (March 31, 2020: Rs. 0.75 per share)	45.42	34.07
	0.00	
Total Dividend paid	45.42	34.07
Proposed Dividends on Equity Shares:		
Final dividend for the year ended on 31st March, 2022: Rs. 1.20 per share. (31st March, 2021: Rs. 1.00 per share)	54.51	45.42
	0.00	0.00
Total Dividend proposed	54.51	45.42

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at 31st March 2022.

During the year ended 31st March, 2022, on account of the final dividend for FY 20-21, the Company has incurred a net cash outflow of Rs. 45.42 Lacs.

The Board of Directors have proposed dividend of Rs. 1.2/- per equity share subject to approval by the shareholders in the general meeting. If approved, this will result in payment of dividend Rs. 54.50 Lacs.

33(B) **CAPITAL MANAGEMENT (IND AS 1):**

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt Consistent with others in the industry.

34 **INCOME TAXES (IND AS 12):**

(i) Income Tax Reconciliation

(Amounts in Lacs.)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021
Profit before Tax		141.15	166.87
Enacted Tax Rates in India		25.17%	25.17%
Computed expected Tax Expense		35.52	42.00
Tax Effect of amounts which are not deductible in calculating taxable Income		23.59	13.01
Tax Effect of amounts which are deductible in calculating taxable Income		(25.77)	0.00
Income Tax Expense		33.35	28.99

DISCLOSURES IN ACCORDANCE WITH IND AS-19 ON

35 **"EMPLOYEE BENEFITS"**

a) Defined Contribution Plans - The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

(Amounts in Lacs.)

Particulars	2021- 22	2020-21
Employer's Contribution to Provident Fund	17.51	14.92
Employer's Contribution to Employee's State Insurance	2.25	2.22
TOTAL	19.76	17.14

b) Defined Benefit Plans - Gratuity and Provident Fund

Gratuity:

Inherent Risk - The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The Company operates a gratuity plan which is administered through Life Insurance Corporation and a trust which is administered through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with Payment of Gratuity Act, 1972. However, certain employees are entitled to benefit higher than the benefit prescribed under Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier or death in service.

i) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

Particulars	Amounts in Lacs.)	
	2021- 22	2020- 21
Opening DBO	85.69	74.95
Current Service Cost	6.19	5.39
Interest on DBO	4.76	4.63
Past service cost	0.00	0.00
Employees Contribution		
Components of actuarial gain/losses on obligations:		
Actuarial loss/ (gain) arising from change in financial assumption	(2.15)	0.99
Actuarial loss/ (gain) arising on account of experience change	(1.64)	2.49
Actuarial loss/ (gain) arising on account of demographic assumption		
Benefits Paid	(1.72)	(2.76)
Closing DBO	91.12	85.69

ii) A reconciliation of the opening and closing balances of the fair value of plan assets:

Particulars	2021- 22	2020- 21
Opening Fair Value of Plan Assets	70.65	53.46
Interest on Plan Assets	4.01	3.42
Remeasurement due to:	0.00	0.00
Actuarial loss/ (gain) arising on account of experience change	0.56	0.04
Employers Contribution	15.05	16.49
Benefits Paid	(1.72)	(2.76)
Closing Fair Value of Plan Assets	88.54	70.65

* Fair value of Plan Assets for gratuity represents the amount as confirmed by the Insurer Managed Funds.

iii) Amount recognised in Balance Sheet including a reconciliation of the present value of the defined benefit obligation in b(i) and the fair value of the plan assets in b (ii) to the assets and liabilities recognised in the balance sheet:

(Amounts in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of Defined Benefit Obligation	91.12	85.69
Fair value of Plan Assets	88.54	70.65
Net Liability recognised in the Balance Sheet	2.58	15.05
Long Term Provisions	2.58	15.05

iv) The total expense recognised in the Statement of Profit and Loss:

(Amounts in Lacs.)

Particulars	2021-22	2020-21
Current Service Cost	6.19	5.39
Past Service Cost	0.00	0.00
Interest Cost on defined benefit liability / (assets)	0.75	1.21
Total	6.94	6.61

v) Amount recorded in other Comprehensive Income

(Amounts in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening amount recognised in OCI outside P&L Account		
Remeasurement due to:		
Changes in financial assumptions	(2.15)	0.99
change in demographic assumption	0.00	0.00
Experience Adjustments	(1.64)	2.49
Actual return on plan assets less interest on plan assets	(0.56)	(0.04)
Closing amount recognised in OCI outside profit and loss account	(4.36)	3.44

vi) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Amount	Rate	Amount	% Rate
	(in Lacs)	%	(in Lacs)	%
Government of India Securities	0	0%	0	0%
Corporate Bonds	0	0%	0	0%
Special Deposit Scheme	0	0%	0	0%
Equity Shares of Listed Companies	0	0%	0	0%
Property	0	0%	0	0%
Insurer Managed Funds	100%	100%	100%	100%
Others	0	0%	0	0%
Total				

vii) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

viii) The Actual Return on Plan Assets is as follows:

Particulars	2021-22	2020-21
Actual Return on Plan Assets (Incl. remeasurement effect)	4.57	3.46

ix) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Particulars	2021-22	2020-21
	Rate %	Rate %
Discount Rate	6.70%	6.25%
Salary Escalation Rate	5%	5%
Attrition Rate		

x) Expected Contribution to the Funds in the next year:

Particulars	2021-22
Gratuity	2.58

xi) Sensitivity Analysis:

Particulars	2021-22	2020-21
	Rate %	Rate %
Impact of increase in 50 bps on discounting rate on DBO	88.85	83.25
Impact of decrease in 50 bps on discounting rate on DBO	93.52	88.27
Impact of increase in 50 bps on salary escalation rate on DBO	93.39	88.19
Impact of decrease in 50 bps on salary escalation rate on DBO	88.89	83.35

xii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

37 RELATED PARTY DISCLOSURES (IND AS 24):

Related Parties with whom there were transactions during the year:

Parties	Relationship
Adventure Advertising Private Limited Metal Perforation Private Limited	Enterprises under significant influence of Key Management Personnel or their relatives
Mr. A.J. Sheth	Chairman & Managing Director
Mr. H.J. Badani	Vice Chairman & Managing Director
Mr. Harsh Badani	Whole Time Director

b) Disclosure of Transactions with Related Parties as required by Ind AS 24:

(Amounts in Lacs.)

Sr. No.	Nature of Transaction	Subsidiaries	Enterprise	Key Management Personnel	Relatives	Total
1	Receiving of Services	-	0.48	-	-	0.48
		-	(0.25)	-	-	(0.25)
2	Managerial Remuneration & Perquisites	-	-	41.97		41.97

		-	-	(36.61)	-	(36.61)
3	Sales	-	-	-	-	-
4	Purchase		0.66			0.66
			(0.83)			(0.83)
4	Loans Received	-	-	-	-	-
		-	-	-	-	-
5	Loans Repaid	-	-	-	-	-
		-	-	-	-	-
6	Office Deposit Given	-	-	-	-	-
		-	-	-	-	-
	<u>Outstanding balances as</u>					-
	<u>At 31.03.2022 :</u>					-
1	Investments	-	-	-	-	-
		-	-	-	-	-
2	Security Deposit	-	-	-	-	-
		-	-	-	-	-
3	Other Liabilities	-	-	6.10	-	6.10
		-	-	(6.14)	-	(6.14)
4	Trade Receivable	-	-	-	-	-
		-	-	-	-	-
5	Trade Payable	-	0.38	-	-	0.38
		-	0.00	-	-	0.00

* Figures in Brackets are of previous year.

Sr. No.	Nature of Transaction	Name of the Related Party	Current Year	Previous Year
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1	Receiving of Services Enterprises under significant influence of Key Management Personnel or their relatives	Adventure Advertising Private Limited Metal Perforation Private Limited.	0.48	0.25
2	Managerial Remuneration Key Management Personnel	A.J. Sheth H.J. Badani Harsh Badani	14.30 14.60 13.07	12.86 12.98 10.77
3	Purchases	Metal Perforation Private Limited.	0.66	0.83
4	Loans Received Enterprise under significant influence of Key Management Personnel	Metal Perforation Private Limited.	-	-
5	Loans Repaid Enterprise under significant influence of Key Management Personnel <u>Outstanding balances as at 31.03.2022</u> :	Metal Perforation Private Limited.	-	-
1	Investments Subsidiaries	Shruchi Manufacturing Limited	-	-
2	Trade Receivable Enterprise under significant influence of Key Management Personnel	Metal Perforation Private Limited.	-	-
3	Trade Payable Enterprise under significant influence of Key Management Personnel	Adventure Advertising Private Limited	0.17	-
	Enterprise under significant influence of Key Management Personnel	Metal Perforation Private Limited.	0.21	-
4	Other Liabilities Key Management Personnel	A.J. Sheth H.J. Badani Harsh Badani	2.16 1.71 2.23	2.12 1.84 2.18
			6.10	6.14

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

38 EARNINGS PER SHARE (EPS) (IND AS 33):

(Amounts in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Basic/Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders	105.56	141.81
(ii) Weighted average number of Equity Shares outstanding (Nos.) [For Basic & Diluted EPS]	45.42	45.42
Basic/ Diluted EPS (Face Value ` 10 per share) (Per Share) (i)/(ii)	2.32	3.12

39 CONTINGENT LIABILITIES

∴

Claims against the Company not acknowledged as debt:

a) Penalty Levied by DGFT of Rs.23 Lacs (Net of advance) (31st March, 2017 - Rs. 23 Lac, 1st April 2016 - Rs. 23 Lac/-) and contested in appeal, vide WP No.1957 of 2000 pending at Delhi High Court.

b) Bank Guarantees Rs. 78.74 Lacs (31st March, 2022) -(Rs. 67.09 Lacs, 31st March, 2021)

c) There is a dispute regarding demand raised by Excise and Custom Department (CEGAT) of Rs. 3.54 Lacs(31st March, 2017 - Rs. 3.54 Lacs, 1st April 2016 - Rs. 3.54 Lacs) which is being contested on Order No. D/827/97 of Rs.3.54 Lacs dt. 14.08.1997. Amount has been paid against thereof as advance under protest and reflected under Non-Current Assets.

d) Income Tax Demands for earlier assessment years of Rs.6.58 Lacs (Previous Years Rs. 14.07 Lacs) are disputed in respective assessment year and pending for rectification.

40 AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX) AND EXPENSES:

(Amounts in Lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Statutory Auditors:</u>		
Audit fees (including quarterly Limited Review)	1.00	1.00
Tax audit fees	1.00	1.00
TOTAL	2.00	2.00

41 Exceptional item amounting to Rs.18.90 lacs represents amount written back in respect of old creditors not claimed.

42 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Amounts to Micro and Small Enterprises on the basis of information available with the Company regarding the status of suppliers are as follows:

(Amount in Lacs)

	As at 31st March, 2022	As at 31st March, 2021
a. the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
b. the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d. the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

43 MERGER BY ABSORPTION OF SHRUCHI MANUFACTURING COMPANY LTD. A WHOLLY OWNED SUBSIDIARY COMPANY

Pursuant to Scheme of Amalgamation ("the Scheme") of Shruchi Manufacturing Company Limited (Transferor Company) with Solitaire Machine Tools Limited (Transferee Company) sanctioned by Hon'ble National Law Tribunal (NCLT) on 29-4-2020, all the assets and liabilities of the transferor company are transferred, in the books of transferee company, at the value appearing in the books of Account of Shruchi Manufacturing Company Limited as on appointed date ie 01-4-2017

44 COVID-19 and its Impact

The Company has assessed the impact of COVID-19 on the financial statements, business operations, liquidity position, cash flows and has concluded that no material adjustments are required in the financial results. The Company will continue to monitor the impact of COVID-19 and any material changes to future economic conditions.

45 ADDITIONAL REGULATORY INFORMATION

45.1 Title deeds of immovable properties not held in the name of Company. Details of all the immovable properties (other than properties where the Company is the lessee of and the lease agreements are duly executed in favour of the lessee) whose deeds are held in the name of the Company.

NIL

45.2 There are no investment in properties

45.3 The Company has not revalued its Property, Plant and Equipment during the year.

45.4 No proceedings have been initiated or pending against Company for holding any Benami Property under Prohibitions of Benami Transactions Act,1988(Earlier titled as Benami transactions (Prohibitions) Act,1988.

45.5 The Company is not declared a wilful defaulter by any Bank or Financial Institution or any other lender.

45.6 The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 530 of Companies Act,1956.

45.7 No charges of satisfaction are pending for registration with the Registrar of Companies (ROC).

45.8 During the year no Scheme of Arrangement has been formulated by the Company/pending with competent authority.

45.9 Ratios

The Ratios for the year ended March 31, 2022 and March 31, 2021 are as follows

Particulars	Numerator	Denominator	As at March 31,		Variance (In%)
			2022	2021	
Current Ratio	Current Assets	Current Liabilities	4.19	4.00	4.76
Debt -Equity Ratio	Total Debt(represents lease liabilities)	Shareholder's Equity	0.03	0.07	(58.31)
Debt service Coverageratio	Earnings available for debt service	Debt service	3.69	2.18	69.53
Return on Equity	Net profits after taxes	Average shareholders Equity	6.77%	9.61%	(2.84)
Trade receivables turnover ratio	Revenue	Average trade receivable	5.86	9.59	(38.89)
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	5.80	5.32	8.98
Net capital turnover ratio	Revenue	Working capital	1.33	1.71	(22.22)
Net profit ratio	Nrt profit	Revenue	10.39%	9.72%	0.67
Return on Capital Employed	Earning before Interest and taxes	Capital employed	0.09	0.11	(18.18)
Return on Investments Quoted	Income generated	Time weighted	0.88%	0.02%	0.86

	from investments	average investments			
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45.10 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46 Figures of the previous period/Year have been regrouped to conform to current year's classification. Further in view of the amalgamations described in note no.43 above, the figures of the current year are not comparable with those of the previous year.

47 **ROUNDING OFF**

The figures appearing in financial statements have been rounded off to the nearest Lakhs, as required by General Instructions for preparation of Financial Statements in Division II Schedule III to the Companies Act, 2013.

48 **APPROVAL OF FINANCIAL STATEMENTS**

The financial statements are approved for issue by the Board of Directors in their meeting held on 30th May , 2022.

Significant Accounting Policies and Notes on Accounts

1 to 48

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR AJAY SHOBHA & CO.

FIRM REGISTRATION NO. 317031E

CHARTERED ACCOUNTANTS

Sd/-

Sd/-

(ASHOK JIVRABHAI SHETH)

CHAIRMAN & MANAGING DIRECTOR

DIN NO.00174006

AJAY GUPTA

PARTNER

MEMBERSHIP NO. : 053071

UDIN-22053071AJVQRF5004

Sd/-

(HEMANDRA JAYANTILAL BADANI)

VICE CHAIRMAN & MANAGING DIRECTOR

DIN NO.00143330

PLACE : VADODARA

DATE : 30/05/2022

Sd/-

Barkha Arora; Company Secretary

SOLITAIRE MACHINE TOOLS LIMITED

**Regd office- Shop 3-A, Floor-
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Chamber, Pandit Madan
Mohan Malviya Marg, Tardeo,
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