



SOMI CONVEYOR BELTINGS LTD.

4F-15, 'OLIVER HOUSE' New Power House Road, JODHPUR - 342 001 (RAJ.) INDIA
Tel: +91-291-2765400 to 09, 2610472, Cell No. +91-95496 50303, +91-94141 29472
E-mail : export@somiconveyor.com Visit us at : www.somiconveyor.com
MFG ALL TYPE OF FABRIC, STEEL CORD & BUCKET ELEVATOR BELTS OUR CIN NO. L25192RJ2000PLC016480

SOMI/LEGAL & SECRETARIAL/NSE/2022/43
~~FAX/REGD.A.D/COURIER/E-MAIL/E-FILING~~
DATE: 06/09/2022

To,
The National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Phones: +91-22-26598100 – 8114
Fax: +91-22-26598120

NSE Symbol: SOMICONVEY

Sir,

SUBJECT: TWENTY SECOND ANNUAL REPORT 2021-22.

In pursuance of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Twenty Second Annual Report 2021-22 of Somi Conveyor Beltings Limited.

For **SOMI CONVEYOR BELTINGS LIMITED**

AMIT BAXI
(Company Secretary and Compliance Officer)



CIN: L25192RJ2000PLC016480

SOMI CONVEYOR BELTINGS LIMITED

TWENTY SECOND ANNUAL REPORT 2021-22

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. O P Bhansali	Chairman & Managing Director
Mr. Vimal Bhansali	Whole Time Director
Mr. Gaurav Bhansali	Whole Time Director
Mr. Mahendra Rakecha	Independent & Non-Executive Director
Mr. Yogesh Maheshwari	Independent & Non-Executive Director
Mr. Santosh Kumar Joshi	Independent & Non-Executive Director
Ms. Surbhi Rathi	Independent Woman & Non-Executive Director (Ceased to be Director w.e.f . 06.08.2022)

COMPANY SECRETARY

Mr. Amit Baxi

CHIEF FINANCIAL OFFICER

Mr. Manish Bohra

AUDITORS

M/s. Singhvi & Mehta
Chartered Accountants, Jodhpur

BANKERS

Punjab National Bank
Pal Road Branch,
Jodhpur, Rajasthan

REGISTERED OFFICE

4 F-15, "Oliver House",
New Power House Road, Jodhpur-342003
Web: www.somiinvestor.com

WORKS

- K.No-58, 58/5, 58/6, Village Tanawara, Tehsil Luni, District Jodhpur.
- H-2, 463-466, Sangaria Industrial Area, Jodhpur.

LISTED AT

- BSE Limited (BSE)
- National Stock Exchange of India Limited (NSE)

REGISTRAR AND TRANSFER AGENT

Universal Capital Securities Pvt Ltd.
CIN:U74200MH1991PTC062536
C 101, 247 Park, LBS Road, Vikhroli West, Mumbai-400083.
Tel : +91 22 28207203-05, 49186178-79 Fax : +91 22 28207207
Email id : info@unisec.in; Web: www.unisec.in

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NOTICE

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the members of the Company will be held on **Friday, 30th September, 2022** at 11:30 A.M at its registered office at 4F-15, “Oliver House”, New Power House Road, Jodhpur - 342003, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended **31st March, 2022**, together with the Reports of the Board of Director's and the Auditor's thereon.
2. Re-appointment of **M/s SINGHVI & MEHTA**, Chartered Accountants, as statutory auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation of the Audit Committee of the Company and approval of the Board of Directors of the Company at their respective meetings held on September 03, 2022, the consent of the members of the Company be and is hereby accorded to re-appoint M/s. **SINGHVI & MEHTA**, Chartered Accountants (Firm Registration No. **002464W**), as the Statutory Auditors of the Company to hold office for a second term of 5 (five) consecutive years commencing from the conclusion of this 22nd AGM till the conclusion of the 27th AGM to be held in the year 2027 at such remuneration plus applicable taxes, out of pocket, travelling and other expenses, on actual basis, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Om Prakash Bhansali as Managing Director for 5 Years**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), read with Schedule V of the Act and in terms of Articles of Association of the Company and subject to such other approvals, as may be required, and in line with the recommendation of the Nomination and Remuneration Committee and the Board of Directors ('the Board'), consent of the Members of the Company, be and is hereby accorded for the re-appointment of Mr. Om Prakash Bhansali (DIN : 00351846), as the Managing Director of the Company, for a period of five (5) consecutive years with effect from September 1, 2022, on such terms and conditions, including remuneration, as set out in the explanatory statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. Re-appointment of Mr. Vimal Bhansali as Whole Time Director for 5 Years

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), read with Schedule V of the Act and in terms of Articles of Association of the Company and subject to such other approvals, as may be required, and in line with the recommendation of the Nomination and Remuneration Committee and the Board of Directors ('the Board'), consent of the Members of the Company, be and is hereby accorded for the re-appointment of Mr. Vimal Bhansali (DIN : 00351851), as the Whole Time Director of the Company, for a period of five (5) consecutive years with effect from September 1, 2022, on such terms and conditions, including remuneration, as set out in the explanatory statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Re-appointment of Mr. Gaurav Bhansali as Whole Time Director for 5 Years

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), read with Schedule V of the Act and in terms of Articles of Association of the Company and subject to such other approvals, as may be required, and in line with the recommendation of the Nomination and Remuneration Committee and the

Board of Directors ('the Board'), consent of the Members of the Company, be and is hereby accorded for the re-appointment of Mr. Gaurav Bhansali (DIN : 00351860), as the Whole Time Director of the Company, for a period of five (5) consecutive years with effect from September 1, 2022, on such terms and conditions, including remuneration, as set out in the explanatory statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **Appointment of Mrs. Payal Daga as Non-Executive Non-Independent Woman Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and in accordance with the provisions of Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, Mrs. Payal Daga (DIN: 07134985), be and is hereby appointed as a Director (Category: Non-Executive Non-Independent Woman Director) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD
For **SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
Date: 3rd September, 2022

(**AMIT BAXI**)
Company Secretary

Registered Office
4F-15, "Oliver House"
New Power House Road
Jodhpur-342 003
CIN: L25192RJ2000PLC016480
Website: www.somiinvestor.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
 - a) As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company carrying voting rights.
 - b) Provided that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
 - c) If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
 - d) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
 - e) A Proxy form is annexed to this Report, Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as may be applicable.
2. A shareholder or his proxy will be required to produce at the entrance of the Meeting Hall, the Attendance Slip sent herewith duly completed and signed. Neither photocopies nor torn/mutilated Attendance Slips will be accepted. The Validity of the Attendance Slip will, however, be subject to the Shareholder continuing to hold shares on the date of meeting.
3. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive) for annual closing.
5. Members, who have not encashed dividend warrant(s) for the Financial Year ending 31st March, 2016 and 31st March, 2018 are requested to seek issue of duplicate warrant(s) by writing to the Company or the Company's RTA, immediately.
6. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the DEMAT Account of the IEPF Authority after complying with the procedure laid down under the Rules. The unclaimed dividend for the Financial Year 2015-16 and 2017-18 must be claimed as early as possible falling which it would be transferred to IEPF as per the (tentative) dates mentioned herein below:

Financial Year ended	Due Date of Transfer
31.03.2016	16.11.2023
31.03.2018	27.11.2025

Members are requested to contact Company's RTA, Universal Capital Securities Private Limited for claiming dividend for the aforesaid years

7. The details of the unclaimed dividends are available on the Company's website at www.somiinvestor.com and Ministry of Corporate Affairs at www.mca.gov.in
8. It is in the Members interest to claim any un-encashed dividends and for future, opt for National Electronic Clearance System (NECS)/ National Automated Clearing House (NACH), so that dividends paid by the Company are credited to the investor's account on time.
9. SEBI vide its Circular dated 3rd November, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form are requested to submit their PAN, KYC details and Nomination details by sending a duly filled and signed Form ISR-1 to Universal Capital Securities Pvt. Ltd at C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083 or by email to info@unisec.in from their registered email id.
10. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13, which is available on the website of the Company. Further, SEBI vide its Circular dated 3rd November, 2021 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for the Nomination.
11. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission; Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the Format which is available on the website of the Company's Registrar and Transfer Agent, Universal Capital Securities Pvt. Ltd. at <https://www.unisec.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant. Members can contact Universal Capital Securities Pvt. Ltd. for assistance in this regard.
12. Documents referred to in the Notice are open for Inspection at the Registered Office of the Company on all working days between 11:00 AM to 1:00 Noon up to the date of Annual General Meeting and will also be available for inspection at the meeting.
13. Universal Capital Securities Pvt. Ltd. is our Registrar and Share Transfer Agent. All the investor related communication may be addressed to them at their following address:
UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED
C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083.
Tel : +91 22 28207203-05, 49186178-79 Fax : +91 22 28207207
14. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
15. The statement setting out the material facts pursuant to Section 102 of the Act concerning the Special Business in the Notice is annexed hereto and forms part of this Notice. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India as approved by the Central Government, of the persons seeking appointment/reappointment as Directors, is also annexed to this Notice.

16. Electronic copy of the Annual Report for 2021-22 is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same.
17. SEBI vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and MCA vide General Circular dated May 5, 2022 read with MCA General Circulars dated May 5, 2020 and April 13, 2020, have dispensed with the requirement of sending physical copies of Annual Report to the Members under Regulation 36(1)(b)&(c) of the SEBI Listing Regulations till 31st December, 2022.

In compliance with the SEBI Circular dated May 13, 2022 and MCA General Circular dated May 5, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.somiinvestor.com, website of the Stock Exchanges, that is, BSE Limited at www.bseindia.com & NSE India Limited at www.nseindia.com and at the registered office of the company for inspection during normal business hours on working days.

18. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green initiative has introduced enabling provisions for sending notice of the meeting and other shareholder correspondence through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with the company or its RTA and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs), if there is any change in the e-mail ID already registered with the Company.
19. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by e-voting. They shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. **The instructions for e-voting are annexed to the Notice.**
20. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2022.
21. **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. September 23, 2022 only shall be entitled to avail the facility of remote e-voting / through Poll Paper at the Annual General Meeting.**

The instructions for members voting electronically are as under:

- (i) The remote e-voting period commences on Tuesday, 27th September, 2022 at 9:00 am and ends on Thursday, 29th September, 2022 at 5:00 pm. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL	1) 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.nsdl.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. 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. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
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 and 22-23058542-43.
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

- (v) Login method for e-Voting for **shareholders other than individual shareholders holding in demat form & physical shareholders.**
- The Shareholders should Log on to the e-voting website <http://www.evotingindia.com>
 - Click on “Shareholders” tab.
 - Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on “Login”.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) IF YOU ARE A FIRST TIME USER FOLLOW THE STEPS GIVEN BELOW FOR LOGIN:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
Permanent Account Number (PAN*)	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).

- (vii) After entering these details appropriately, click on SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN) of SOMI CONVEYOR BELTINGS LIMITED to vote.

- (xi) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If a Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non-Individual Shareholders and Custodians:

- a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- b) Institutional shareholders should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) Institutional shareholders should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian. if any, in PDF Format in the system for the scrutinizer to verify the same.
- f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cmd@somiconveyor.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (xviii) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- 22. The Board of Directors of the Company has appointed Mr. Avijit Vasu (ACS: 37968; PCS: 14198) Practising Company Secretary, to act as the Scrutinizer to scrutinize the Polling taking place at annual general meeting. He has communicated his willingness to be appointed and will be available for same purpose.
- 23. The Board of Directors of the Company has appointed Mrs. Ira Baxi (FCS: 5456; PCS: 4712), Practising Company Secretary for remote e-voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
- 24. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if

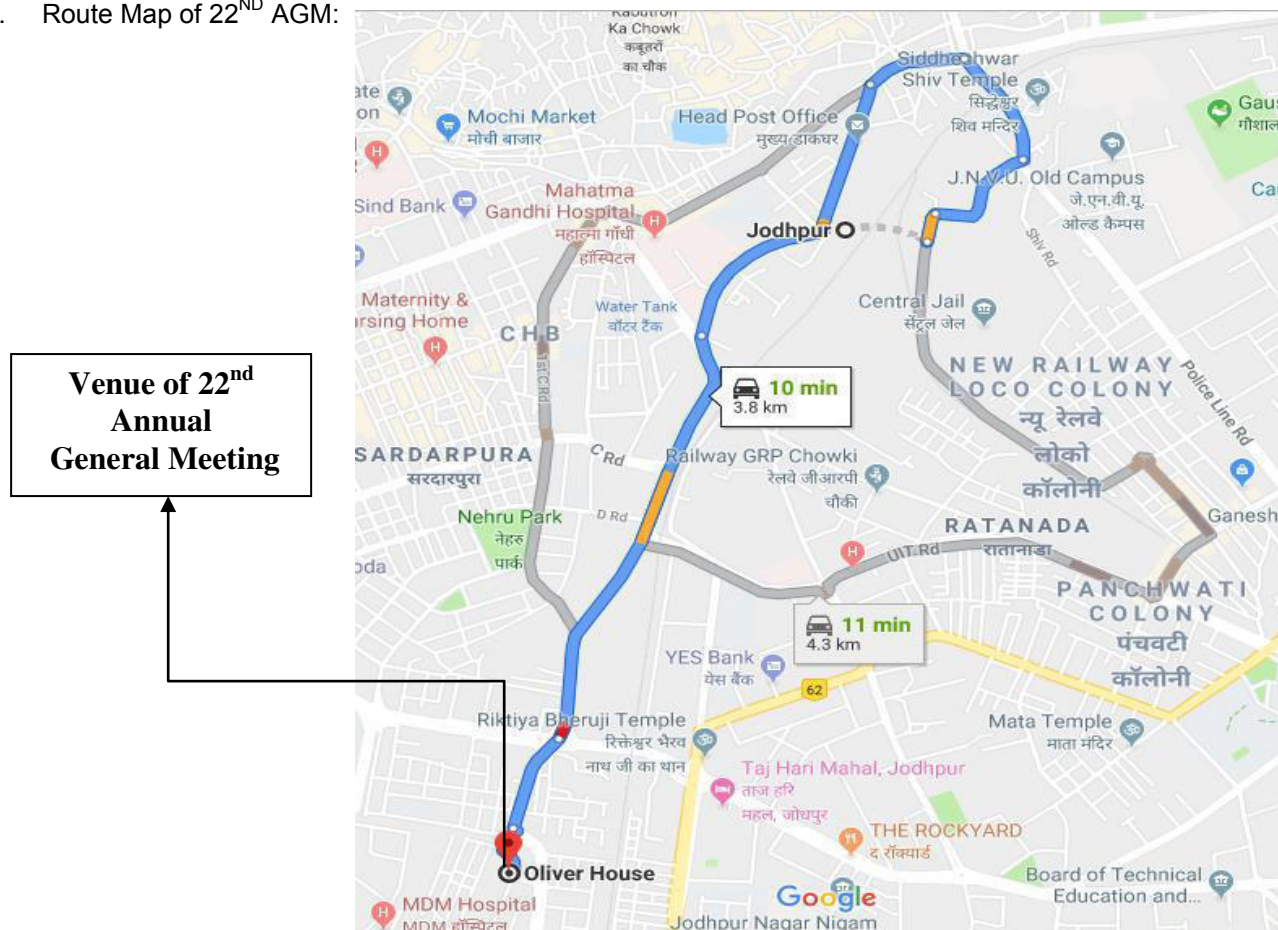
any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.

25. The Results shall be declared after the receipt of the Scrutinizer's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.somiinvestor.com. The results shall also be immediately forwarded to the stock exchanges BSE Limited and NSE of India Limited.
26. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
 - a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - b) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 - c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022- 23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

27. To ensure correct identity of the members for the smooth conduct of the Annual General Meeting, each Member and Proxy Holder attending the meeting is requested to bring with him/her an appropriate photo ID document like a Driving License, Aadhaar Card, Passport or Voter ID Card.
28. As per section 118(10) of the Companies Act, 2013, read with the Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India, "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members in connection with the meeting".

29. Route Map of 22ND AGM:

BY ORDER OF THE BOARD
For **SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
Date: 3rd September, 2022

(**AMIT BAXI**)
Company Secretary

Registered Office
4F-15, "Oliver House"
New Power House Road
Jodhpur-342 003
CIN: L25192RJ2000PLC016480
Website: www.somiinvestor.com

Explanatory Statement Pursuant to Section 102 (1) of the Companies Act, 2013

As required by Section 102 (1) of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under item no. 2, 3, 4, 5 & 6 of the accompanying notice dated 3rd September, 2022:

Item no. 2

Re-appointment of M/s Singhvi & Mehta, Chartered Accountants, as Statutory Auditors of the Company

Explanatory statement for this item is not mandatory, however, the same has been disclosed pursuant to the requirement of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

M/s Singhvi & Mehta, Chartered Accountants (ICAI Firm Registration Number 002464W), were appointed as statutory auditors of the Company at the 17th AGM held on September 29, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 22nd AGM to be held in the year 2022. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. M/s Singhvi & Mehta is eligible for reappointment for a further period of five years. Based on the recommendations of the audit committee, the Board of Directors, at its meeting held on September 03, 2022, approved the reappointment of M/s Singhvi & Mehta as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 27th AGM to be held in the year 2027. The reappointment is subject to approval of the shareholders of the Company.

The proposed remuneration to be paid to M/s Singhvi & Mehta for audit services for the financial year ending March 31, 2023, is Rs. 4 Lakh (Rupees Four Lakh) plus applicable taxes and out-of-pocket expenses. Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the audit committee.

The Board of Directors and the audit committee shall approve revisions to the remuneration of the statutory auditors for the remaining part of the tenure.

The Board of Directors, in consultation with the audit committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

The Company has received (a) the Eligibility certificate under Section 141(3) of the Act, and (b) Consent from M/s. Singhvi & Mehta, to act as the Statutory Auditors of the Company for a further term of 5 consecutive years commencing from the conclusion of 22nd Annual General Meeting until the conclusion of the 27th Annual General Meeting.

Considering the evaluation of the past performance, experience and expertise of M/s Singhvi & Mehta and based on the recommendation of the audit committee, it is proposed to appoint M/s Singhvi & Mehta as statutory auditors of the Company for a second term of five consecutive years till the conclusion of the 27th AGM of the Company in terms of the aforesaid provisions.

Brief profile of M/s Singhvi & Mehta

M/s Singhvi & Mehta having experience of more than 37 years is registered with the Institute of Chartered Accountants of India (Registration No. 002464W). The Firm has Nine Professional Partners and other staff members. M/s Singhvi & Mehta has offices in Jodhpur and Ahmedabad. The registered office of the Firm is D-166 A, Shastri Nagar, Behind Medical Auditorium, Jodhpur - 342003, Rajasthan, India. The Firm has been engaged in statutory / concurrent / internal / stock / revenue audits of various nationalized bank.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested or deemed to be concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors accordingly recommends the resolution set forth in Item No. 2 for the approval of the Members.

Item No. 3

Re-appointment of Mr. Om Prakash Bhansali as Managing Director for the period of 5 Years

Mr. Om Prakash Bhansali is a Science Graduate and has 46 years experience in rubber and conveyor belt manufacturing industry. He is associated with the Company since Incorporation. His efforts have lead the company to be in the top positions in Conveyor Belt Industry in a short span of time. Apart from this he controls the administrative, finance and sales activities of the Company. Being an experienced member of the Board, the board is of the opinion that he is the most suitable person for the post of Managing Director.

The Board of Directors of the Company ("the Board"), at its meeting held on September 03, 2022 has, subject to approval of members, re-appointed Shri Om Prakash Bhansali (DIN: 00351846) as Managing Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term, i.e., with effect from September 01, 2022, on a monthly remuneration of Rs. 2,70,000/- (Rupees Two Lakh Seventy Thousand) including HRA, Special Perquisite and Bonus etc.

Members' approval is sought for the re-appointment of and remuneration payable to Shri Om Prakash Bhansali as Managing Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Shri Om Prakash Bhansali satisfies all the conditions set out under subsection (3) of Section 196 of the Act and Part-I of Schedule V to the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Details of Shri Om Prakash Bhansali are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (ii) Schedule V of the Companies Act, 2013 and (iii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Shri Om Prakash Bhansali is interested in the resolution set out at Item No. 3 of the Notice. Shri Vimal Bhansali and Shri Gaurav Bhansali, Whole-time Directors of the Company, being related to Shri Om Prakash Bhansali may be deemed to be interested in the resolution set out at Item No. 3 of the Notice.

The other relatives of Shri Om Prakash Bhansali may be deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors accordingly recommends the resolution set forth in Item No. 3 for the approval of the Members.

Item No. 4

Re-appointment of Mr. Vimal Bhansali as Whole-Time Director for the period of 5 Years

Mr. Vimal Bhansali is a Management Graduate with Specialization in Marketing and has 22 years experience in manufacturing and marketing of Conveyor Belts. His extraordinary efforts have lead the company to excel in the area of manufacturing of Conveyor Belts and play a important position in the market. The board is of the opinion that he is the most suitable person for the post of Whole-time Director.

The Board of Directors of the Company ("the Board"), at its meeting held on September 03, 2022 has, subject to approval of members, re-appointed Shri Vimal Bhansali (DIN: 00351851) as Whole-time Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term, i.e., with effect from September 01, 2022, on a monthly remuneration of Rs. 2,15,000/- (Rupees Two Lakh Fifteen Thousand) including HRA, Special Perquisite and Bonus etc.

Members' approval is sought for the re-appointment of and remuneration payable to Shri Vimal Bhansali as Whole-Time Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Shri Vimal Bhansali satisfies all the conditions set out under subsection (3) of Section 196 of the Act and Part-I of Schedule V to the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Details of Shri Vimal Bhansali are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (ii) Schedule V of the Companies Act, 2013 and (iii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Shri Vimal Bhansali is interested in the resolution set out at Item No. 4 of the Notice. Shri Om Prakash Bhansali, Managing Director and Shri Gaurav Bhansali, Whole-time Director of the Company, being related to Shri Vimal Bhansali may be deemed to be interested in the resolution set out at Item No. 4 of the Notice.

The other relatives of Shri Vimal Bhansali may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors accordingly recommends the resolution set forth in Item No. 4 for the approval of the Members.

Item No. 5

Re-appointment of Mr. Gaurav Bhansali as Whole-Time Director for the period of 5 Years

Mr. Gaurav Bhansali possesses Master's degree in Commerce and has 21 years experience in Manufacturing and marketing of Conveyor Belts & rubber production. He is associated with the Company since Incorporation. He controls the Production and sales activities of the Company. The board is of the opinion that he is the most suitable person for the post of Whole-time Director.

The Board of Directors of the Company ("the Board"), at its meeting held on September 03, 2022 has, subject to approval of members, re-appointed Shri Gaurav Bhansali (DIN: 00351860) as Whole-time Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term, i.e., with effect from September 01, 2022, on a monthly remuneration of Rs. 2,15,000/- (Rupees Two Lakh Fifteen Thousand) including HRA, Special Perquisite and Bonus etc.

Members' approval is sought for the re-appointment of and remuneration payable to Shri Gaurav Bhansali as Whole-Time Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Shri Gaurav Bhansali satisfies all the conditions set out under subsection (3) of Section 196 of the Act and Part-I of Schedule V to the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Details of Shri Gaurav Bhansali are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (ii) Schedule V of the Companies Act, 2013 and (iii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Shri Gaurav Bhansali is interested in the resolution set out at Item No. 5 of the Notice. Shri Om Prakash Bhansali, Managing Director and Shri Vimal Bhansali, Whole-time Director of the Company, being related to Shri Gaurav Bhansali may be deemed to be interested in the resolution set out at Item No. 5 of the Notice.

The other relatives of Shri Gaurav Bhansali may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors accordingly recommends the resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6

Appointment of Mrs. Payal Daga as a Non-Executive Non-Independent Woman Director of the Company

The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, have proposed Mrs. Payal Daga as Director (Category: Non-Executive Non-Independent Woman) of the

Company subject to approval of members in the ensuing Annual General Meeting of the Company, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company.

Mrs. Payal Daga is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act"), and has given her consent to act as a Director. The Company has also received requisite declarations from her as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Further, she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Considering her experience and expertise, the Board considers that the appointment of Mrs. Payal Daga as Director is desirable and would be beneficial to the Company, and hence, it recommends appointment of Mrs. Payal Daga as a Non-Executive, Non-Independent Woman Director of the Company, liable to retire by rotation.

Accordingly, the Board recommends the resolution as set out at Item No. 6 of this Notice for approval of the members of the Company as an Ordinary Resolution.

Pursuant to Regulation 36(3) of SEBI Listing Regulations and Para 1.2.5 of Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), requisite particulars for Mrs. Payal Daga including her profile and specific areas of expertise are given in this AGM Notice.

Except Mrs. Payal Daga no other director(s) and Key Managerial Personnel(s) or their relatives, are in any way, concerned or interested, financially or otherwise, in this resolution.

BY ORDER OF THE BOARD
For **SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
Date: 3rd September, 2022

(**AMIT BAXI**)
Company Secretary

Registered Office

4F-15, "Oliver House"
New Power House Road
Jodhpur-342 003
CIN: L25192RJ2000PLC016480
Website: www.somiinvestor.com

APPENDIX TO ANNUAL GENERAL MEETING NOTICE

Particulars and additional information of the directors seeking appointment/re-appointment pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2):

Name of Director	Mr. Om Prakash Bhansali	Mr. Vimal Bhansali	Mr. Gaurav Bhansali	Mrs. Payal Daga
Director Identification Number (DIN)	00351846	00351851	00351860	07134985
Date of Birth and Age	10/01/1954– 68 Years	19/07/1979 - 43 Years	29/07/1980 - 42 Years	09/10/1980 – 41 Years
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board	16/06/2000	16/06/2000	16/06/2000	-
Qualifications	Bachelor of Science	Bachelor of Business Management with Specialization in Marketing	Post Graduation in Commerce	Post Graduation in Commerce
Brief resume, experience and Nature of expertise in specific functional areas.	46 years of Experience in rubber and conveyor belt manufacturing industry.	22 years of Experience in manufacturing and marketing of Conveyor Belts.	21 years of Experience in manufacturing and marketing of Conveyor Belts & rubber production.	10 Years of Experience in Administration
Directorships held in other Listed Companies	NIL	NIL	NIL	NIL
Membership of Board Committees in other Public Limited Companies	NIL	NIL	NIL	NIL
Shareholding in the Company	37.50 %	5.08 %	4.90 %	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Father of Mr. Vimal Bhansali & Mr Gaurav Bhansali	Son of Mr. Om Prakash Bhansali & Brother of Mr. Gaurav Bhansali	Son of Mr. Om Prakash Bhansali & Brother of Mr. Vimal Bhansali	No relation
Other Information	Chairman & Managing Director	Whole-Time Director	Whole-Time Director	Proposed Woman Director
Remarks	Seeks Re-Appointment as Managing Director for the period of five years.	Seeks Re-Appointment as Whole-Time Director for the period of five years.	Seeks Re-Appointment as Whole-Time Director for the period of five years.	Seeks Appointment as Non-Executive Non-Independent Woman Director liable to retire by rotation

BY ORDER OF THE BOARD
For **SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
Date: 3rd September, 2022
Registered Office
4F-15, “Oliver House”
New Power House Road
Jodhpur-342 003
CIN: L25192RJ2000PLC016480
Website: www.somiinvestor.com

(AMIT BAXI)
Company Secretary



SOMI CONVEYOR BELTINGS LIMITED

Registered Office: 4 F-15 "Oliver House", New Power House Road, Jodhpur - 342003
CIN: L25192RJ2000PLC016480, Website: www.somiinvestor.com, Ph. No.: 0291-2765400 to 09

PROXY FORM

[FORM MGT-11]

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

22ND ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2022

CIN: L25192RJ2000PLC016480

Name of the company: **SOMI CONVEYOR BELTINGS LIMITED**

Registered office: **4F-15, Oliver House, New Power House Road, Jodhpur**

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: Address:

E-mail Id: Signature: or failing him

2. Name: Address:

E-mail Id: Signature: or failing him

3. Name: Address:

E-mail Id: Signature: or failing him

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY SECOND ANNUAL GENERAL MEETING of the company, to be held on the Friday 30th day of September, 2022 at 11:30 A.M. at 4F-15, "Oliver House" New Power House Road, Jodhpur-342003 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements for the Year ended 31st March, 2022, Auditors' and Directors' Report thereon.
2. Re-appointment of M/s Singhvi & Mehta as Statutory Auditor for the period of five years from 2022-23 to 2026-27.

SPECIAL BUSINESS

3. Re-appointment of Mr. Om Prakash Bhansali as Managing Director for a Term of 5 Years.
4. Re-appointment of Mr. Vimal Bhansali as Managing Director for a Term of 5 Years.
5. Re-appointment of Mr. Gaurav Bhansali as Managing Director for a Term of 5 Years.
6. Appointment of Mrs. Payal Daya as Non-Executive Non-Independent Woman Director liable to retire by rotation.

Signed this day of 20....

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Rs.1
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



SOMI CONVEYOR BELTINGS LIMITED

Registered Office: 4 F-15 "Oliver House", New Power House Road, Jodhpur – 342003

CIN: L25192RJ2000PLC016480

Website: www.somiinvestor.com

Ph. No.: 0291-2765400 to 09

ATTENDANCE SLIP

22ND ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2022

Joint Shareholders may obtain additional Attendance Slip on request.

(Folio No., DP ID No., Client ID & Name of Shareholder / Joint Holders / Proxy, to be furnished below).

Name & Address of Shareholder:

Reg. Folio No. DP ID No#. Client ID No#.

Applicable for Member holding Shares in electronic form

I certify that I am a registered Member/Proxy for registered member of the Company.

I hereby record my presence at the **TWENTY SECOND ANNUAL GENERAL MEETING** of the company on Friday, September 30, 2022 at 11:30 AM at 4F-15, "Oliver House", New Power House Road, Jodhpur-342003.

Members/Proxy's name in BLOCK Letters

Members/Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the entrance of the hall.

Chairman's Message



Dear Shareholder,

As we emerged from the lock-down problems of the previous two years, we were faced with a new challenge of rising costs of raw materials during the current year. This increase in the costs of raw materials has been unprecedented as it has happened continuously for months together, forcing us to increase prices of our products time and again in the market. Our learning's from the first wave of being agile & flexible coupled with prudent risk management helped us deliver better performance in 2021-22 as compared to previous year results. As we look forward to the future with optimism, I am extremely grateful to our stakeholders who supported us throughout and continue to place their immense trust in us.

During this period, our single point of focus has been our strong commitment and our desire to serve the consumers. I am happy to report that we have come through. While our business may have been impacted by prevalent global economic uncertainty, it is showing strong signs of a rebound in the form of growing market share and growing consumer loyalty.

Looking back, I can say this with absolute certainty that the roots of this organisation are much stronger than they have ever been. The values have been imbibed in a way that is tangible in the results we have driven and the outcomes we have produced.

The resilient performance of the company is reflected in the Financials. Despite the volatile business environment, your company has shown a robust performance in FY 2021-22. The turnover of the Company stood at Rs. 5713.85 Lakh reflecting growth of 22.11% over Rs. 4679.27 Lakh in FY 2020-21. There is slight decline in the Net Profits of the Company by 2.58% as compared to previous year where Net Profits were Rs. 176.12 Lakh. However, the Company is confident of significant growth in sales and profits of the Company as many orders are lined up in the coming quarters.

At present, there is a rise in the demand for conveyor belts in the mining industry to transport various materials, such as excavated and crushed rocks, in an efficient manner. This, along with the growing warehouses and distribution centers for online merchants across the globe, represents one of the key factors driving the market. In addition to this, the escalating demand for conveyor belts in the building and construction industry to connect the broken equipment of different levels, sand production facilities, and screening equipment is positively influencing the market. SCBL is focusing on developing eco-friendly conveyor belts with self-cleaning properties.

We know that we never had as much potential as we do right now, to leverage our expertise to benefit our clients and the broader society. This opportunity that lies before us – to make an indelible mark with our technology, our empathy for clients, our investment in employees and a renewed sense of purpose - is greater than it has ever been. This gives us great optimism about the future and equally puts great responsibility on us to make that future happen.

We are committed to doing things the right way, which includes taking business decisions and acting in ways that are ethical and in compliance with applicable legislation. This is our road to consistent, competitive, profitable, and responsible growth and to creating long-term value for our shareholders, our people, and our

business partners. Besides business performance, we will continue to make significant investments in community engagements through the implementation of various meaningful philanthropic programmes.

I wish to thank the Shareholders, Investors, Central and State Governments, Lenders, Suppliers and Customers for their great support during these trying times. I also thank all my colleagues on the board for their continued support.

With warm regards,

O P BHANSALI
Chairman and Managing Director

DIRECTOR'S REPORT

To,
The Members,
Somi Conveyor Beltings limited,
Jodhpur

The Directors of your company have pleasure in presenting the 22nd Annual Report together with the Audited Financial Statement of Accounts for the year ended March 31, 2022.

FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2022 is summarised below:

(Rs. in Lakhs)		
SUMMARISED FINANCIAL RESULTS	2021-22	2020-21
Total Sales	5713.85	4679.27
Profit Before Interest, Depreciation and taxation	584.51	593.23
Interest	229.29	255.60
Depreciation	97.99	102.24
Profit Before Tax	257.23	235.39
Provision for Tax	(36.45)	(20.87)
Prior Period Tax	(19.29)	-
Add/(Less) Deferred Tax	(29.91)	(38.40)
Profit After Tax	171.58	176.12
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	171.58	176.12

OPERATIONS

During the Financial Year under review, the Company has achieved Turnover of **Rs. 5713.85 Lakhs** as against **Rs. 4679.27 Lakhs** in the previous year and the Net Profit after Tax of **Rs. 171.58 Lakhs** as against **Rs. 176.12 Lakhs** in the previous year, resulting in increase in Turnover of Company by **22.11%** and decrease in Profits of the Company by **2.58%** during the Financial Year 2021-22. The Board is confident of higher growth in the current financial year.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company does not have any Subsidiary Company, Associate Company or any other Joint Venture; therefore, it is not required to prepare Consolidated Financial Statements.

DIVIDEND

In order to conserve the funds for the growth of the Company, the Board of Directors do not recommended any dividend for the year ended 31st March, 2022.

TRANSFER TO RESERVE

The provisions of the Companies Act, 2013 do not mandate any transfer of profits to General Reserve. Hence, no transfer has been made to the General Reserve for the year under review.

CREDIT RATING

CRISIL Rating Limited, has assigned following credit rating to the Company in respect of long-term Bank facilities and short-term Bank facilities availed by the Company:

Particulars	Ratings Assigned
Long Term Bank Facilities	CRISIL BB+/Stable
Short Term Bank Facilities	CRISIL A4+

ANNUAL RETURN

As per Section 134(3)(a) of the Companies Act, 2013, the Annual Return referred to in Section 92(3) has been placed on the website of the Company www.somiinvestor.com.

MEETINGS OF THE COMPANY

During the financial year 2021-22, the Board of Directors of the Company duly met Six times on 10.05.2021, 29.06.2021, 14.08.2021, 04.09.2021, 12.11.2021 and 14.02.2022 of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act. Detailed information is given in the Corporate Governance Report.

The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

DETAILS OF COMMITTEE OF DIRECTORS

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors, Stakeholder Relationship Committee of Directors, Corporate Social Responsibility Committee of Directors; Number of meetings of each Committee held during the financial year 2021-22 and meetings attended by each member of the Committee are provided in Corporate Governance Report which forms part of this report.

The recommendation(s) by the Audit Committee as and when made to the Board have been accepted by it.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

Changes in the composition of the Board of Directors and other Key Managerial Personnel

During the year under review, Mr. Santosh Kumar Joshi (08950339) was appointed as Non- Executive Independent Director of the Company for Five (5) consecutive years for a term up to 21st February, 2026 in the 21st Annual General Meeting of the Company held on 30th September, 2021.

The term of Mr. Om Prakash Bhansali as Managing Director, Mr. Vimal Bhansali and Mr. Gaurav Bhansali as Whole Time Director of the Company was up to 31st August, 2022. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has proposed re-appointment of Mr. Om Prakash Bhansali as Managing Director, Mr. Vimal Bhansali and Mr. Gaurav Bhansali as Whole Time Director of the Company for the period of Five(5) years with effect from September 01, 2022 to August 31, 2027, subject to approval of Shareholder at the ensuing 22nd (Twenty Second) Annual General Meeting of the Company.

There were no changes in Key Managerial Personnel during the year under review.

After the closure of financial year Mrs. Surbhi Rathie resigned from the post of Non-Executive Independent Woman Director of the Company w.e.f. end of business hours of August 6, 2022 due to other preoccupations. She has also confirmed that there is no material reason for her resignation. Subsequent to her resignation, the Nomination and Remuneration Committee has recommended appointment of Mrs. Payal Daga as Non-Executive Non-Independent Woman Director of the Company liable to retire by rotation. The Board of

Directors has accepted the said recommendation and has proposed appointment of Mrs. Payal Daga subject to approval of shareholder at the ensuing 22nd (Twenty Second) Annual General Meeting of the Company.

Directors Training and Familiarization Programmes and Board Evaluation Process

The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

DECLARATION BY INDEPENDENT DIRECTORS

In terms with Section 149(7) of the Companies Act, 2013, Independent Directors of the Company have submitted declarations that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 16(l)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also complied with the Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs, pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of Companies Act, 2013, directors to the best of their knowledge and belief, confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that 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 as at 31st March, 2022 and of the profit or loss of the Company for the year ended on that date;
- c) that they 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) that they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) of the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. O.P. Bhansali, Chairman and Managing Director
Mr. Vimal Bhansali, Whole-time Director
Mr. Gaurav Bhansali, Whole-time Director
Mr. Manish Bohra, Chief Financial Officer
Mr. Amit Baxi, Company Secretary

During the year, there was no change (appointment or cessation) in the office of KMP.

STATUTORY AUDITORS

Under Section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the shareholders. In line with the requirements of the Companies Act, 2013, Statutory Auditor M/s Singhvi & Mehta, Chartered Accountants (Firm Registration Number 002464W) were appointed as Statutory Auditor of the Company at the 17th AGM held on September 29, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 22nd AGM to be held in the year 2022. The term of office of M/s Singhvi & Mehta, as Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

The Board of Directors of the Company, based on the recommendation of the audit committee, at its meeting held on September 03, 2022, reappointed M/s Singhvi & Mehta, Chartered Accountants (Firm Registration Number 002464W) as the Statutory Auditor of the Company to hold office for a second term of five consecutive years from the conclusion of the 22nd AGM till the conclusion of the 27th AGM to be held in the year 2027 and will be placed for the approval of the shareholders at the ensuing AGM.

During the year, the statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013, the Code of Ethics issued by the Institute of Chartered Accountants of India. The Board recommends their reappointment to the shareholders.

REPORT OF STATUTORY AUDITORS

M/s. Singhvi & Mehta, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2021-22, which forms part of the Annual Report 2021-22. The notes on financial statements referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations or comments.

There are qualifications, reservations or adverse remarks or disclaimer made in the Auditors' Report, clarification for which has been received from the management. The Auditor's qualification and Management reply is provided below:

Auditor's Qualification	Management Reply
In pursuance of IND AS 19, re-measurements of long term employee benefits and the corresponding liabilities is to be valued, validated and certified by an actuary. In the absence of said report on actuarial valuation, auditors are unable to comment upon the correctness of the liability recognized in the financial results.	The provision amounting to Rs. 20.50 lakhs is already lying in the books of the company, which seems to be sufficient in view of management. Hence company has not made provision in the current financial year 2021-22.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed ACS Jaisal Mohatta (ACS: 35017; CP: 16090), Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2022. The Secretarial Audit Report is annexed herewith as **Annexure - I**.

There are no qualifications, reservation or adverse remark or disclaimer made by the Secretarial auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors and Secretarial Auditor of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including the rules made thereunder.

MAINTENANCE OF COST AUDIT RECORDS

The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

SHARE CAPITAL

During the year under review the issued, subscribed and paid up Equity Share Capital of the Company was 11,779,656 equity shares of Rs.10/- each. There was no change in the capital structure of the Company

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Information regarding loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the Financial Statements.

RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The particulars of every contract and arrangement if 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 transactions under third proviso thereto are disclosed in Form No. AOC-2 in **ANNEXURE – II** and forms part of this Report.

Suitable disclosures as required by the Indian Accounting Standards have been made in the notes to the financial statements. The policy on related party transactions as approved by the Board is uploaded on the Company's website www.somiinvestor.com.

Pursuant to Schedule V (A) (2A) of SEBI (LODR) Regulations, 2015, details of transactions that took place during the year with Related Parties are listed below:

Details of transactions with Related Parties for the period 01.04.2021 to 31.03.2022

(Rs. In Lacs)			
Particulars	Nature of Relationship	Name of Related Party	31.03.2022
Sale of Goods	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	274.36
Purchase	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	8.10
Managerial Remuneration	KMP	Om Prakash Bhansali	32.40
		Vimal Bhansali	25.80
		Gaurav Bhansali	25.80
		Manish Bohra	13.87
		Amit Baxi	4.40
Managerial Remuneration	RKMP	Anita Bohra	4.64
Interest Paid	KMP	Om Prakash Bhansali	13.25
		Vimal Bhansali	1.67
	RKMP	Om Kumari Bhansali	1.08
Loan Received	KMP	Vimal Bhansali	150.28
Loan Paid	KMP	Om Prakash Bhansali	230.00
		Vimal Bhansali	29.50

		Gaurav Bhansali	18.18
Loan Paid	RKMP	Om Kumari Bhansali	20.00
Out Standing Balances:			
Sale of Goods	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	100.35
Loans Taken	KMP	Om Prakash Bhansali	61.14
		Vimal Bhansali	124.76
Loans Given	KMP	Gaurav Bhansali	18.18
Managerial Remuneration	KMP	Om Prakash Bhansali	0.39
		Vimal Bhansali	5.29
		Gaurav Bhansali	1.50

DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

RISK MANAGEMENT

Your Company recognises that managing risk is an integral part of the good management practice and an essential element of good corporate governance. It aims to have a common, formalised and systematic approach for managing risk and implementing a risk management process across the Company. The intent of the policy is to ensure the effective communication and management of risk across all risk categories. The Company has identified element of risk, which may threaten the existence and financial position of the Company, which are set out in the Management Discussion and Analysis Report.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities and in line with the best international governance practices. The Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company's code of conduct or ethics policy. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

DISCLOSURE ON CONFIRMATION WITH THE SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

APPLICATION / PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ("IBC")

During the year under review, no application was made under IBC by or against your Company and no proceeding is pending under IBC.

DISCLOSURE ON ONE TIME SETTLEMENT

During the year under review, the Company has not entered into any onetime settlement with the Banks or Financial Institutions who have extended loan or credit facilities to the Company.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The "Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" has been adopted and has been disclosed on the website of the Company at www.somiinvestor.com.

All the Directors and the designated employees have confirmed compliance with the Code.

INTERNAL FINANCIAL CONTROL

The Company has robust internal financial controls (IFC) systems, which is in line with requirement of the Companies Act, 2013, which is intended to increase transparency & accountability in an organisation's process of designing and implementing a system of internal control. The Company has a clearly defined Governance, Risk & Compliance Framework aligned with Policies, Standard Operating Procedures (SOP), Financial & Operational Delegation of Authority (DOA). Our ERP system facilitate mapping with role based authority to business & functional team to ensure smooth conduct of their operations across the organisation. The internal control system ensures compliance with all applicable laws and regulations.

The Company has well established Internal audit function. Risk based audit are performed for all businesses, functions & locations (Plants, Branch, warehouse, Head office).

The internal financial control process, supports orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, all companies having a net worth of Rs. 500 crore or more, or a turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a CSR committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director. All such companies are required to spend at least 2% of the average net profits of their three immediately preceding financial years on CSR-related activities.

The Net Profit of the Company before tax is Rs. 257.23 Lakhs during the FY 2021-22. From the past 3 years the Net profit of the Company remains less than 5 Crores. Hence the provisions of CSR are not applicable to the Company.

The composition of the Audit Committee as on March 31, 2022 is as under:

Name of Member	Category
Mr. Om Prakash Bhansali (Chairman & member)	Managing Director
Mr. Vimal Bhansali (Member)	Whole-Time Director
Mr. Mahendra Rakhecha (Member)	Non- Executive and Independent Director

Currently, the Company does not have any liability towards CSR Expenditure. However, it continues to serve the Society through its philanthropic activities.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure – III** of this Report in the format prescribed in the Companies (CSR Policy) Rules, 2014. The Policy is available on the Company's website at www.somiinvestor.com.

CORPORATE GOVERNANCE

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

A separate report on Corporate Governance Compliance as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included and forms part of the Annual Report along with the requisite Certificate regarding compliance of the conditions of Corporate Governance as stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on the Management's Discussion and Analysis (MDA) which forms part of this Annual Report deals with Company's Operational performance – industry trends and other material changes with respect to company and also current and future outlook of the Company.

SHARE REGISTRY ACTIVITIES

All work related to share registry is handled by Universal Capital Securities Pvt Ltd, a Registrar and Share Transfer Agent registered with SEBI.

LISTING WITH STOCK EXCHANGE

Equity shares of your company continue to remain listed with National Stock Exchange of India Limited and BSE Limited. There are no arrears in payment of listing fees and the stipulated listing fee for financial year 2021-22 has been paid.

DEMATERIALIZATION OF SHARES

The shares of your company are traded in dematerialized form either with the National Securities Depository Limited (NSDL) or the Central Depository Services (India) Limited (CDSL).

INSURANCE

Assets of your Company remain adequately insured against various perils.

HEALTH, SAFETY AND ENVIRONMENT

As a firm commitment to Health, Safety and Environment (HSE), the year saw multiple initiatives to implement and review the HSE plans. The Company continued to build on its health, safety and environment (HSE) culture through strategic involvements and initiatives across its value chain. It has an integrated business approach to drive HSE synchronisation across business aspects. The Company continued its efforts to manage and support people in COVID crisis management. Important steps were taken at crucial periods to pro-actively assess the situation and initiate actions to manage the same.

The Company organised vaccination camps for its employees. There were continuous messages from the leadership team highlighting the pandemic risks and necessary precautions to be taken to ensure that each employee was safe.

In pursuance to HSE Policy your Company's management has devoted all their efforts to protect and maintain safety environment in the Company. The Company has taken all possible measures to segregate hazardous and non-hazardous substances. Health, Safety and Environment involves proactive approach to create safe

working environment, continuous safety education and training, periodic review of programs and evaluation of incidents.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM FINANCIAL YEAR END AND TILL THE DATE OF THIS REPORT

Except the impact of COVID-19 as mentioned in this report, no material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is as follows:-

- (a) **the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Non-Executive Directors	Ratio to Median Remuneration
Mr. Mahendra Kumar Rakecha	NIL
Mr. Yogesh Maheshwari	NIL
Ms. Surbhi Rathi	NIL
Mr. Santosh Kumar Joshi	NIL
Executive Directors	
Mr. Om Prakash Bhansali	10.64:1
Mr. Vimal Bhansali	8.47:1
Mr. Gaurav Bhansali	8.47:1

- (b) **the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Person	% Increase in remuneration
Mr. Mahendra Kumar Rakecha	NIL
Mr. Yogesh Maheshwari	NIL
Ms. Surbhi Rathi	NIL
Mr. Santosh Kumar Joshi	NIL
Mr. Om Prakash Bhansali, MD & CEO	NIL
Mr. Vimal Bhansali	NIL
Mr. Gaurav Bhansali	NIL
Mr. Manish Bohra, Chief Financial Officer	11%
Mr. Amit Baxi, Company Secretary	11%

- (c) **the percentage increase in the median remuneration of employees in the financial year: 13.34%**
- (d) **the number of permanent employees on the rolls of company: 106**
- (e) **the explanation on the relationship between average increase in remuneration and company performance;**
There is no direct relation between the average remuneration of the employees vis-à-vis Company Performance

- (f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	Rs.(in lakhs)
Remuneration of Key Managerial Personnel (KMP) during financial year 2021-22 (aggregated)	102.27
Revenue from operations	5713.85
Remuneration (as % of revenue)	1.79%
Profit before tax (PBT)	257.23
Remuneration (as % of PBT)	39.76%

- (g) variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

Particulars	Unit	As at 31 st Mar 22	As at 31 st Mar 21	Variation
Closing rate of share at BSE	Rs.	33.15	31.40	1.75
Closing rate of share at NSE	Rs.	33.20	30.75	2.45
EPS (Consolidated)	Rs.	1.46	1.50	(0.04)
Market Capitalization (BSE)	Rs.(in lakhs)	3904.96	3698.81	206.15
Market Capitalization (NSE)	Rs.(in lakhs)	3910.85	3622.24	288.61
Price Earning Ratio (BSE)	Ratio	22.71	20.93	1.78
Price Earning Ratio (NSE)	Ratio	22.74	20.50	2.24

Figures in brackets represent negative percentage.

- (h) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentile Increase in the salaries of employees other than the managerial personnel is 18.74% which is higher than the percentile increase in the remuneration of managerial personnel.

- (i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company

Particulars	Om Prakash Bhansali Managing Director	Vimal Bhansali Whole-Time Director	Gaurav Bhansali Whole-Time Director	Chief Financial Officer	Company Secretary
	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)
Remuneration	32.40	25.80	25.80	13.87	4.40
Revenue	5713.85	5713.85	5713.85	5713.85	5713.85
Remuneration (as % of revenue)	0.57%	0.45%	0.45%	0.24%	0.08%
Profits before tax (PBT)	257.23	257.23	257.23	257.23	257.23
Remuneration (as % of PBT)	12.60%	10.03%	10.03%	5.39%	1.71%

- (j) **the key parameters for any variable component of remuneration availed by the directors;**
No variable remuneration is provided to the executive directors.
- (k) **the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NIL**
- (l) **affirmation that the remuneration is as per the remuneration policy of the Company**
The Company's remuneration policy is driven by the success and performance of the individual employees of the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals is measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace and the Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company conducts, from time to time, the awareness sessions on prevention of sexual harassment at workplace for its employees.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Furthermore, there was no pending complaint/ case at the beginning as well as ending of financial year.

RESEARCH AND DEVELOPMENT

Research and development are ongoing activities which have a significant role in providing inputs for developing new products, devising energy saving measures, upgrading methods of production and quality of products. These activities have helped the company in attaining leadership in its conveyor beltings products and substantial qualitative change in other operational areas. Raw material cost is continuously rising and is critical to the sustainability of manufacturers. Therefore, our R&D department seeks to maximize utilization of raw material.

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

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are as follows:

(A) CONSERVATION OF ENERGY

a. Energy Conservation Measures taken

Continuous and substantial efforts were made to ensure optimum consumption of fuel and electricity at all the plants of the company. These efforts resulted in general improvement in the energy consumption of the business.

b. Capital Investment on energy conservation equipments

NIL

FORM A

I. Disclosure of Particulars with respect to Conservation of Energy

	Power & Fuel Consumption	Unit of Measurement	Current Year (2021-22)	Current Year (2020-21)
	1. Electricity	KWH/MWH		
	a) Purchased			

	Unit		18,02,760.00	13,69,585.00
	Total Amount		1,78,63,798.00	1,48,22,906.00
	Rate/ Unit		9.91	10.82
	b) Own Generation	NIL	NIL	NIL
	2. Coal	NIL	NIL	NIL
	3. Furnace oil	NIL	NIL	NIL
	4. Others / internal generation	NIL	NIL	NIL

II. Consumption per unit of Production – unit (KM/MT)

S. No.	Product	Standard Budget Norms (2021-22) (Rs)	Current Year (2021-22) (Rs)	Previous Year (2020-21) (Rs)
1	Conveyor Belt	120.00	106.00	119.91

(B) TECHNOLOGY ABSORPTION

FORM B

Disclosure of Particulars with respect to Technology Absorption

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Your company continues to upgrade its technology to ensure that it remains a frontrunner in its field of operations.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In Lakhs)

FOREIGN EXCHANGE	2021-22	2020-21
Foreign Exchange Earnings	132.82	284.82
Foreign Exchange Outgo	977.14	453.47

ACKNOWLEDGEMENT

Your Company's organisational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilisation of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their gratitude to the Central Government, State Government for the assistance, co-operation and encouragement they extended to the Company. We also thank our customers, business partners, members, bankers and other stakeholders for their continued support during the year. We place on record our appreciation for the contribution made by all employees towards the growth of your Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
DATE: 3rd September, 2022

O P BHANSALI
(Managing Director)
DIN: 00351846

GAURAV BHANSALI
(Whole time Director)
DIN: 00351860

Annexure – I

Form MR - 3

Secretarial Audit Report

for the Financial Year Ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

Somi Conveyor Beltings Limited

CIN: L25192RJ2000PLC016480

4F-15, “Oliver House”,

New Power House Road,

Jodhpur (RAJ.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SOMI CONVEYOR BELTINGS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **SOMI CONVEYOR BELTINGS LIMITED** 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 on **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 **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) for the financial year ended on **March 31, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) 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;
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not Applicable as the Company has not issued any further share capital during the period under review];**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015; **[Not Applicable as there was no reportable event during the period under review];**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];** and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
- (vi) Other Laws as applicable to the company [Provided in **Appendix B**]: **I further report that**, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Managing Director taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws, Environment laws and other legislations.

We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Service tax Goods and Services Tax, Cess and others detailed under Tax Legislations, We have relied on the representations made by the Company, its Officers and Reports issued by the Statutory and other Auditors.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India,
- (ii) The Listing Agreement entered by the Company with the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. No change in the composition of the Board of Directors took place during the period under review.

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. As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and there were no dissenting views to be recorded.

We further report that based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificates issued by the Chairman and taken in record by the Board of Directors at their meetings, we are of the opinion that there are generally adequate systems & processes in the company

commensurate with its size & operation to monitor and ensure compliance with applicable laws, rules, regulations, circulars, notifications, directions and guidelines.

We further report that during the audit period there was no event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Jaisal Mohatta& Associates

Company Secretaries

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Peer Review Certificate No. 2372/2022

Surat, August 18, 2022

UDIN: A035017D000812301

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

APPENDIX-A

To,

The Members

SOMI CONVEYOR BELTINGS LIMITED

CIN: L25192RJ2000PLC016480

4F-15, "OLIVER HOUSE",

NEW POWER HOUSE ROAD,

JODHPUR (RAJ.)

1. Maintenance of secretarial record 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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. Where ever 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 random 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 Jaisal Mohatta& Associates

Company Secretaries

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Peer Review Certificate No. 2372/2022

Surat, August 18, 2022

UDIN: A035017D000812301

APPENDIX-B
LIST OF OTHER LAWS APPLICABLE TO SOMI CONVEYOR BELTINGS LIMITED

Sr. No.	Name of Acts/Rules/Regulations
1.	The Competition Act, 2002
2.	The Environment (Protection) Act, 1986
3.	The Water (Prevention & Control of Pollution) Act, 1974
4.	The Air (Prevention & Control of Pollution) Act, 1981
5.	The Public Liability Insurance Act, 1991
6.	The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
7.	The Factories Act, 1948
8.	The Industrial Disputes Act, 1947
9.	The Payment of Wages Act, 1936
10.	The Minimum Wages Act, 1948
11.	The Employees' State Insurance Act, 1948
12.	The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
13.	The Payment of Bonus Act, 1965
14.	The Payment of Gratuity Act, 1972
15.	The Contract Labour (Regulation and Abolition) Act, 1970
16.	The Maternity Benefit Act, 1961
17.	The Child Labour (Prohibition and Regulation) Act, 1986
18.	The Industrial Employment (Standing Orders) Act, 1946
19.	The Employees' Compensation Act, 1923
20.	The Apprentices Act, 1961
21.	The Equal Remuneration Act, 1976
22.	Micro, Small and Medium Enterprises Development (MSMED) Act, 2006
23.	Indian Trade Union Act, 1926
24.	The Person with Disability Act, 1995
25.	The Income Tax Act, 1961
26.	The Central Excise Act, 1944
27.	The Customs Act, 1962
28.	The Foreign Exchange Management Act, 1999
29.	The Employees Pension Scheme, 1995
30.	Accounting Standards
31.	The Indian Penal Code, 1860
32.	The Indian Evidence Act, 1872
33.	The Code of Criminal Procedure, 1973
34.	The Code of Civil Procedure, 1908
35.	The Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013
36.	The Central Goods And Services Tax Act, 2017
37.	The Integrated Goods And Services Tax Act, 2017
38.	The Union Territory Goods And Services Tax Act, 2017
39.	All Rules/Regulations in relation to above specified Acts.

For Jaisal Mohatta & Associates
Company Secretaries

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Peer Review Certificate No. 2372/2022

Surat, August 18, 2022

UDIN: A035017D000812301

Annexure – II

Form No. 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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis –

NONE; DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

- (a) Name(s) of the related party and nature of relationship: **N.A.**
- (b) Nature of contracts/arrangements/transactions: **N.A.**
- (c) Duration of the contracts / arrangements/transactions: **N.A.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
- (e) Justification for entering into such contracts or arrangements or transactions: **N.A.**
- (f) Date(s) of approval by the Board: **N.A.**
- (g) Amount paid as advances, if any: **N.A.**
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **N.A.**

2. Details of material contracts or arrangement or transactions at arm's length basis

NONE; DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL* CONTRACT OR ARRANGEMENT.

(*As defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.)

- (a) Name(s) of the related party and nature of relationship: **N.A.**
- (b) Nature of contracts/ arrangements/ transactions: **N.A.**
- (c) Duration of the contracts/ arrangements/ transactions: **N.A.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
- (e) Date(s) of approval by the Board, if any: **N.A.**
- (f) Amount paid as advances, if any: **N.A.**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SOMI CONVEYOR BELTINGS LIMITED**

Place: Jodhpur
DATE: 3rd September, 2022

O P BHANSALI
(Managing Director)
DIN: 00351846

GAURAV BHANSALI
(Whole time Director)
DIN: 00351860

Annexure – III
Annual Report on Corporate Social Responsibility (CSR) Activities
1. A brief outline of the Company's CSR Policy

Somi Conveyor Beltings Limited (hereafter referred to as the Company) is committed to fulfilling its responsibilities towards society in a qualitative manner beyond statutory obligations in line with the vision of inculcating good corporate citizenship. Sustained economic performance, environmental and social stewardship are the key factor for holistic business growth. Considering the present scenario, the focus of Company is to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations.

2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1.	Mr. Om Prakash Bhansali	Chairman/Executive Director	1	1
2.	Mr. Vimal Bhansali	Member/ Executive Director	1	1
3.	Mr. Mahendra Rakhecha	Member/Non-Executive Independent Director	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<https://www.somiinvestor.com/board-committees>

https://www.somiinvestor.com/images/pdf/Policies/SOMI_-_Corporate_Social_Responsibility_Policy.pdf

4. Details of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of amount available for set off in pursuance of sub-rule (3) of Rule 7 Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per Section 135(5):

Not Applicable as the average net profit of the Company for the last three financial years does not exceed the limit of 5 Crore.

7. (a) Two percent of average net profit of the Company as per Section 135(5): Nil

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: Not Applicable

(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b+7c): Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Sec 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing project for the financial year

1	2	3	4	5		6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in schedule VII	Local Area (Yes/No)	Location of the Project		Project duration (in months)	Amount allocated for the project (in Rs.)	Amount spent in the Financial Year (in Rs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs)	Mode of Implementation-Direct (Yes/No)	Name	Mode of Implementation - Through Implementing Agency
				State	District							CSR Registration No.
N.A.												
TOTAL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5		6	7	8	9
S. No.	Name of the Project	Item from the list of activities in schedule VII	Local Area (Yes/No)	Location of the Project		Project duration (in months)	Amount spent for the Project (in Rs)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District				Name CSR Registration No.
N.A.									
TOTAL									

(d) Amount spent on Administrative Overheads: Nil**(e) Amount spent on Impact Assessment, if applicable: Not Applicable****(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil****(g) Excess amount for set off, if any: Nil**

S. No.	Particulars	Amount (in Rs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial year (in Rs.)
				Name of the Fund	Amount (In Rs)	Date of Transfer	
1							
2							
3							
TOTAL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
S. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project Duration	Total Amount allocated for the Project (In Rs.)	Amount spent in the Project in the Reporting Financial Year (in Rs)	Cummulative amount spent at the end of the reporting Financial Year (in `)	Status of the project – Completed / Ongoing
N.A.								
TOTAL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: (asset-wise details): Not Applicable

- (a) Date of creation or acquisition of the capital asset(s) :
 (b) Amount of CSR spent for creation or acquisition of capital asset.:
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):.

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profits as per Section 135(5): N.A.

Place: Jodhpur
 DATE: 3rd September, 2022

O P BHANSALI
(Managing Director and Chairman)
DIN: 00351846

REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31st March, 2022 is presented below:

I. A Brief Statement on Listed Entity's Philosophy on Code of Governance

At SCBL, corporate governance brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. Corporate governance is the broad framework which defines the way the Company functions and interacts with its environment. It is in compliance with laws and regulations in each of the markets the Company operates, leading to effective management of the organisation. Moreover, SCBL in its journey towards sustainability is integrating sustainability practices in its corporate governance system which goes beyond compliance.

Simultaneously, in keeping with the best practices, your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

- Transparency
- Accountability
- Professionalism
- Trusteeship
- Sustainability
- Safeguarding Integrity

Your Company is open, accessible and consistent with its communication. SCBL shares a long term perspective and firmly believes that good corporate governance practices underscore its drive towards competitive strength and sustained performance. Thus, overall corporate governance norms have been institutionalised as an enabling and facilitating business process at the Board, Management and at all operational levels.

II. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The business of the company is conducted by the management under the directions of the Board. The Board formulates the strategy, regularly reviews the performance of the company and ensures that the previously agreed objectives are met on a consistent basis. The Board of Directors of the Company, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders.

There is an optimal combination of Executive Directors and Independent Directors on the Board of the Company, representing a judicious mix of professionalism, knowledge and experience. The Directors bring in expertise in the fields of strategy, management, human resource development, legal, finance and economics, among others. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

a) Composition of Board

The size and composition of the Board meets the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of Seven Executive and Non-Executive Directors, including

leading professionals in their respective fields. Percentage of Executive and Non-Executive Directors of the Company as on March 31, 2022:

Category of Director	No. of Directors	% of Total No. of Directors
Executive	3	43
Non-Executive (Including Independent Directors)	4	57
Total	7	100

The Non-Executive Directors are eminent and experienced persons in their respective fields of industry, finance, accountancy and law.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

The details of each member of the Board along with the number of Directorship(s)/ Committee Membership(s)/Chairmanship(s) and date of joining the Board are provided here in below:

Composition and Directorship(s) / Committee Membership(s)/ Chairmanship(s) as on 31st March, 2022

Name of the Director	Category*	Number of shares held in the Company	Date of Original Appointment	No. of outside Directorship in Public Limited Companies	No. of Committee Position Held in other Companies	
					Chairman	Member
Mr. Om Prakash Bhansali	PE & CMD	4417011	16/06/2000	1	NIL	NIL
Mr. Vimal Bhansali	PE & WTD	598840	16/06/2000	NIL	NIL	NIL
Mr. Gaurav Bhansali	PE & WTD	572335	16/06/2000	NIL	NIL	NIL
Mr. Mahendra Rakhecha	INE	-	30/09/2006	1	NIL	NIL
Mr. Yogesh Maheshwari	INE	-	10/01/2007	NIL	NIL	NIL
Mr. Santosh Kumar Joshi	INE	-	22/02/2021	NIL	NIL	NIL
Ms. Surbhi Rathi ¹	INEW	-	28/03/2015	NIL	NIL	NIL

*PE = Promoter Executive, CMD = Chairman cum Managing Director, INE = Independent Non- Executive, WTD = Whole Time Director, INEW = Independent Non-Executive Woman

¹ Ceased to be Director of the Company w.e.f. 06/08/2022.

b) Appointment and Tenure

The Directors of the Company are appointed by Members at the General Meetings. In accordance with the Articles of Association of the Company, all Directors, except the Managing Director, Whole-Time Director and Independent Directors of the Company, step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election. The Managing Director and Whole-Time Director(s) of the Company are appointed for a term of five years as per the requirement of the statute.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.
- The Independent Directors can serve a maximum of two terms of five years each, after the introduction of the Act.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Act and the Listing Regulations.
- The Company shall ensure that the appointment of any Non-Executive Director who has attained the age of 75 years is approved by the Members of the Company by way of a Special Resolution.

c) Board Procedure

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees. The Company Secretary advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings.

d) Number of Board Meetings and Attendance Record of Directors

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Board business generally includes consideration of important corporate actions and events including:-

- quarterly and annual results announcements;
- oversight of the performance of the business;
- declaration of dividends;
- development and approval of overall business strategy;
- board succession planning;
- review of the functioning of the Committees; and
- other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

The particulars of Board Meetings held during 2021-22 as well as attendance of Directors at the Board Meetings and the last AGM are provided below:

Details of Board Meetings

Number of Board Meetings held during 2021-22: Six (6)			
S. No	Date of Board Meeting	S. No	Date of Board Meeting
1.	10/05/2021	4.	04/09/2021
2.	29/06/2021	5.	12/11/2021
3.	14/08/2021	6.	14/02/2022

Attendance Record of Board of Directors

Name of Director	Number of Board Meetings		Whether attended last AGM held on 30.09.2021
	Held	Attended	
Mr. Om Prakash Bhansali	6	6	Yes
Mr. Vimal Bhansali	6	6	Yes
Mr. Gaurav Bhansali	6	6	Yes
Mr. Mahendra Kumar Rakecha	6	6	Yes
Mr. Yogesh Maheshwari	6	6	Yes
Mr. Santosh Kumar Joshi	6	4	Yes
Ms. Surbhi Rathi	6	NIL	No

The maximum interval between any two Meetings was well within the maximum allowed gap of 120 days.

e) Disclosure of relationships between directors inter-se

Mr. Vimal Bhansali and Mr. Gaurav Bhansali, Promoter Executive and Whole-time Directors on the Board of Directors are the sons of Mr. Om Prakash Bhansali, Promoter Executive and Chairman cum Managing Director.

f) Number of shares and convertible instruments held by non-executive directors

None of the Non-Executive Directors hold any share in the Company.

g) Familiarization Programme for Directors

The provision of an appropriate Familiarization programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The Independent Directors, from time to time, requests management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The Familiarization programme is designed as such to:

- build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;
- provide an appreciation of the role and responsibilities of the Director;
- fully equip Directors to perform their role on the Board effectively; and
- develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of Familiarization programme for Directors is available on Company's Website at <http://www.somiinvestor.com/images/pdf/Policies/SOMI - Familiarization Programme for IDs.pdf>

h) Skills/ Expertise/ Competence of the Board of Directors including the areas as identified by the Board in the Context of the Company's Business

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

1. Leadership, hands on experience on conveyor belts industry and operational experiences in sourcing, manufacturing, marketing and business development, R&D innovation.
2. Strong technical knowledge of the industry in which Company operates including implementation of latest technology equipment tools and dies, etc.
3. Strategy planning.
4. Behavioral skills- attributes, competencies, experience in Computer and Information Technology to use their knowledge and skills to contribute effectively to the growth of the Company.
5. Leadership, Accounting, financial management, cost expertise and banking.
6. Safety, Risk managements, Legal and Industrial Relation & Human Relationship expertise and Corporate Governance.

Mr. Om Prakash Bhansali	1, 2, 3, 4, 5 & 6
Mr. Vimal Bhansali	1, 2, 3, 4, 5 & 6
Mr. Gaurav Bhansali	1, 2, 3, 4, 5 & 6
Mr. Mahendra Rakhecha	1, 2, 3, 4, 5 & 6
Mr. Yogesh Maheshwari	1, 2, 3, 4, 5 & 6
Mr. Santosh Kumar Joshi	3, 4, 5 & 6
Ms. Surbhi Rathi	3, 4, 5 & 6

i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are Independent of the Management

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2021-22, the Board hereby certifies that all the Independent Directors appointed by the Company fulfill the conditions specified in these Regulations and are independent of the management.

j) Separate Meeting of Independent Directors

The Independent Directors met on March 30, 2022, inter alia, to discuss:

- i. Evaluation of performance of Non-independent Directors. Audit Committee members and the Board of Directors as a whole;
- ii. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- iii. Evaluation of the quality, content and timeliness of flow of information between the Management and the board that is necessary for the Board to effectively and reasonably perform its duties.

Attendance Record of Meetings of Independent Directors

Name of Director	Number of Board Meetings	
	Held	Attended
Mr. Mahendra Rakhecha	1	1
Mr. Yogesh Maheshwari	1	1
Mr. Santosh Kumar Joshi	1	1
Ms. Surbhi Rathi	1	1

In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

k) Code of Conduct

The Company has its Code of conduct for all the Board Members and Senior Management of the company. All Board Members and senior Management personnel have affirmed compliance of the Code of Conduct. A Declaration signed by the Managing Director to this effect is enclosed at the end of this report.

l) Board Evaluation

During the year, in terms of the requirements of the Act and Listing Regulations, Board Evaluation was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Directors. The Evaluation process is based on the criteria specified by Nomination and Remuneration Committee focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Board Evaluation was carried out on parameters such as

- Performance of Directors
- Governance & Compliance
- Participation at the Board/Committee meetings
- Commitment
- Effective deployment of knowledge and expertise
- Relationship with Stakeholders
- Integrity & Confidentiality
- Independence of Behaviour and Judgement
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members. The Board approved the evaluation results as collated by the nomination and remuneration committee.

m) Whistle Blower Policy

The policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle blower Policy has been uploaded on the website of the Company at http://www.somiinvestor.com/images/pdf/Policies/SOMI_-_Whistle_Blower_Policy.pdf

III. Governance by the Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the

Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review.

The Board had the following Committees during the year 2021-22:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee

a) Audit Committee

Details of the Composition of the Audit Committee, meetings and attendance of the members are as follows:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The composition of the Audit Committee as on March 31, 2022 is as under:

Name of Member	Category
Mr. Mahendra Rakhecha (Chairman & member)	Non- Executive and Independent Director
Mr. Yogesh Maheshwari (Member)	Non- Executive and Independent Director
Mr. Gaurav Bhansali (Member)	Whole-Time Director

All the members of the Committee have relevant experience in financial matters. The CFO, the Internal Auditor and the Statutory Auditors are invitees to the meetings of the Audit Committee.

The Committee reviews various aspects of internal controls and the internal auditors' report. The requirements under Regulation 18 of the SEBI (LODR) Regulations, 2015 as amended from time-to-time are also reviewed by the committee.

The Audit Committee has met Five times during the financial year 2021-22 on:

May 10, 2021; June 29, 2021; August 14, 2021; November 12, 2021 and February 14, 2022.

Details of meetings attended by the members of the Audit Committee during the financial year 2021-22 are as follows:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Mahendra Rakhecha	Non-Executive and Independent Director	Chairman	5	5
Mr. Gaurav Bhansali	Whole-Time Director	Member	5	5
Mr. Yogesh Maheshwari	Non-Executive and Independent Director	Member	5	5

Terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raise through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, the internal control system ;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and back ground, etc. of the candidate;
20. Review of Management Discussion and Analysis of financial condition and results of operations;
21. Review statement of significant related party transactions submitted by Management;
22. Review of management letters/letters of internal control weaknesses issued by the statutory auditors;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Chairman of the Audit Committee has confirmed to the Board that the Audit Committee during the year under review has complied with all the roles assigned to it pursuant to the Act and Listing Regulations.

Role of Internal Auditor

The Company has a well-established and independent Internal Audit function, which provides assurance to the management, on design and operating effectiveness of internal controls and systems, as well as suggest improvements to systems and processes. Internal Audit assesses and promotes strong ethics and values within the organisation and facilitates maintaining and monitoring the internal control environment. Internal Audit responsibilities encompass all locations, operating entities and geographies of the Company, in which all aspect of business, viz. operational, financial, information systems and regulatory compliances are reviewed periodically.

The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics. The Internal Audit prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits, covering all the locations, operations and geographies of the Company. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Auditor reports to both, the Chairman and the Audit Committee of the Company. On quarterly basis, the Internal Auditor reports to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues. Direct reporting to the Chairman and the Audit Committee establishes Internal Audit as a function independent from the business.

b) Nomination & Remuneration Committee

Details of the Composition of the Nomination and Remuneration Committee and attendance of the members are as follows:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The composition of this Committee as on March 31, 2022 is as under:

Name of Member	Category
Mr. Yogesh Maheshwari (Chairman & member)	Non-Executive Independent Director
Mr. Mahendra Rakhecha (Member)	Non-Executive Independent Director
Mr. Santosh Kumar Joshi (Member)	Non-Executive Independent Director

The Nomination & Remuneration Committee has met only once during the financial year 2021-22 on: March 30, 2022.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2022 is as under:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Yogesh Maheshwari	Non-Executive and Independent Director	Chairman	1	1
Mr. Mahendra Rakhecha	Non-Executive and Independent Director	Member	1	1
Mr. Santosh Kumar Joshi	Non-Executive and Independent Director	Member	1	1

Role of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Other Employees.

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
6. To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
7. To see that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
8. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
9. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of Remuneration to all the directors:
a) Executive Directors

The Company has one Managing Director Mr. Om Prakash Bhansali and Two Whole-Time Directors Mr. Vimal Bhansali and Mr. Gaurav Bhansali. The remuneration payable to them has been fixed by the Board of Directors as per Section 197, 198 read with Schedule V of the Companies Act, 2013 after receiving sanction from the Shareholders in the duly convened General Meeting. The remuneration policy is directed towards rewarding performance. The Nomination & Remuneration Committee of the Company shall, inter-alia, evaluate the performance of the Executive Directors.

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2022 is given below:

Name of Directors	Remuneration	Commission	Value of Perquisites/ Reimbursement of Expenses	Annual Amount in Rs.	
				Sitting Fees	Total Remuneration (Per Annum)
Mr. Om Prakash Bhansali, Chairman and Managing Director	Rs. 32,40,000/-	NIL	NIL	NIL	Rs. 32,40,000/-
Mr. Vimal Bhansali, Whole time Director	Rs. 25,80,000/-	NIL	NIL	NIL	Rs. 25,80,000/-
Mr. Gaurav Bhansali, Whole time Director	Rs. 25,80,000/-	NIL	NIL	NIL	Rs. 25,80,000/-
TOTAL	Rs. 84,00,000/-	NIL	NIL	NIL	Rs. 84,00,000/-

b) Non-Executive and Independent Directors

The Company has no pecuniary relationship or transaction with its Non-executive and Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings. Non- Executive and Independent Directors have been paid remuneration by way of sitting fee.

Details of sitting fees and commission paid to Independent Directors during the financial year 2021-22 is given below:

Name of Non-Executive & Independent Directors	Sitting Fee for Board/Audit Committee/ Other Committee Meeting attended
Mr. Mahendra Rakhecha	15000/-
Mr. Yogesh Maheshwari	14000/-
Mr. Santosh Kumar Joshi	7000/-
Mrs. Surbhi Rathi	5000/-

The company does not have any Employee's Stock Option Scheme and there is no separate provision for payment of Severance fee.

c) Stakeholder Relationship Committee

Details of the Composition of the Stakeholder Relationship Committee and attendance of the members are as follows:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The composition of this Committee as on March 31, 2022 is as under:

Name of Member	Category
Mr. Yogesh Maheshwari (Chairman)	Non-Executive Independent Director
Mr. Mahendra Rakhecha (Member)	Non-Executive Independent Director
Mr. Vimal Bhansali (Member)	Whole-Time Director

Terms of reference

This Committee has been formed with a view to undertake the following: -

1. Approval of transmission of shares/debentures issued by the Company, issue of duplicate certificates and certificates after split/consolidation/replacement.
2. Looking into the redressal of shareholders' and investors' complaints and other areas of investor services.
3. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
4. Review of measures taken for effective exercise of voting rights by shareholders.
5. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
6. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Pursuant to Regulation 6 of Listing Regulations, Mr. Amit Baxi, Company Secretary, acts as the Compliance Officer of the Company and Secretary to the Committee.

The shareholders/investors can send shares/debentures related complaints, if any, through e-mail Id: - cmd@somiconveyor.com designated exclusively for this purpose.

The Stakeholders Relationship Committee has met only once during the financial year 2021-22 on: March 30, 2022.

The attendance of members of Stakeholders Relationship Committee at the committee meeting during the year ended March 31, 2022 is as under:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Yogesh Maheshwari	Non-Executive and Independent Director	Chairman	1	1
Mr. Mahendra Rakhecha	Non-Executive and Independent Director	Member	1	1
Mr. Vimal Bhansali	Whole-Time Director	Member	1	1

Status of Shareholders'/Investors' Complaints for the period 01st April, 2021 to 31st March, 2022

Opening Balance	Complaints Received during the year 2021-22	Complaints Resolved during the year 2021-22	Closing Balance
NIL	NIL	NIL	NIL

Mr. Amit Baxi, Company Secretary, is the Compliance Officer for resolution of Shareholder's/Investor's complaints. During the Financial Year ended 31st March, 2022, no Complaint was received from the Shareholders.

d) Corporate Social Responsibility Committee

Details of the Composition of the Corporate Social Responsibility Committee and attendance of the members are as follows:

The Corporate Social Responsibility Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee of the Company comprises of three directors namely Mr. Om Prakash Bhansali (Chairman) and has Mr. Vimal Bhansali and Mr. Mahendra Rakhecha as its Members. During the year, the Committee met once on March 30, 2022.

The Committee consists of three Directors and the attendance of each committee member is as under:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Om Prakash Bhansali	Managing Director	Chairman	1	1
Mr. Vimal Bhansali	Whole-Time Director	Member	1	1
Mr. Mahendra Rakhecha	Non- Executive and Independent Director	Member	1	1

Terms of Reference

1. Formulation and Recommendation to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII;
2. Recommendation of amount of expenditure to be incurred on the activities referred in Schedule VII;
3. Monitoring the CSR Policy of the company from time to time.

4. Ensuring that the programs, projects and activities supported through Somi Conveyor Beltings Limited are aligned with the approved CSR policy of the Company and Section 135 and Schedule VII of the Act;
5. Reviewing and approving annual budgets with respect to CSR programs;
6. In case the Company is not able to spend the stipulated two percent of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board; the reasons shall also be included in the Board's report;
7. Receiving and reviewing reports from Implementing Partners to assess the performance and effectiveness of projects supported by the Company;
8. Reviewing the findings and recommendations regarding the CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants;
9. Responding to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Company's CSR supported initiatives;
10. Ensuring that the Company's website displays the approved CSR policy of the Company;
11. Developing and institutionalizing a CSR reporting mechanism in terms of Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

IV. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

V. GENERAL BODY MEETINGS

Last three Annual General Meetings of your Company were held at the venue and time as detailed herein below:

Financial Year	Date of AGM	Time of Meeting	Venue of AGM
2020-21 – 21 st AGM	30.09.2021	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003
2019-20 – 20 th AGM	30.09.2020	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003
2018-19 – 19 th AGM	30.09.2019	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003

WHETHER ANY SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs:

1. In the 21st Annual General Meeting held on 30th September, 2021, no Special Resolutions were proposed and passed.
2. In the 20th Annual General Meeting held on 30th September, 2020, Three Special Resolutions were proposed and passed pertaining to:
 - a) Approval for re-appointment of Mr. Mahendra Rakhecha (DIN: 00648532) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.
 - b) Approval for re-appointment of Mr. Yogesh Maheshwari (DIN: 01202089) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.

- c) Approval for re-appointment of Ms. Surbhi Rathi (DIN: 07115169) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for her second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.
3. In the 19th Annual General Meeting held on 30th September, 2019, Four Special Resolutions were proposed and passed pertaining to:
- a) Approval for re-appointment of Mr. Sharad Gyanmal Nahata as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his second term of 5 (five) consecutive years, commencing from 1st October, 2019 to 30th September, 2024.
- b) Approval for Increase in remuneration of Mr. Om Prakash Bhansali, Managing Director of the Company pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with effect from 01/10/2019, to the extent of Rs. 2,70,000/- (Rupees Two Lakh Seventy Thousand) per month including HRA, Special Perquisite and Bonus etc.
- c) Approval for Increase in remuneration of Mr. Vimal Bhansali, Whole-Time Director of the Company pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with effect from 01/10/2019, to the extent of Rs. 2,15,000/- (Rupees Two Lakh Fifteen Thousand) per month including HRA, Special Perquisite and Bonus etc.
- d) Approval for Increase in remuneration of Mr. Gaurav Bhansali, Whole-Time Director of the Company pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with effect from 01/10/2019, to the extent of Rs. 2,15,000/- (Rupees Two Lakh Fifteen Thousand) per month including HRA, Special Perquisite and Bonus etc.

NO EXTRA ORDINARY GENERAL MEETING WAS HELD DURING THE YEAR UNDER REVIEW

NO SPECIAL RESOLUTION WERE PUT THROUGH POSTAL BALLOT EXERCISE

DETAILS OF VOTING PATTERN:

- Not Applicable

PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

- Not Applicable

WHETHER ANY RESOLUTIONS ARE PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

- None of the resolutions are required to be put through postal ballot.

PROCEDURE FOR POSTAL BALLOT:

- Not Applicable

VI. MEANS OF COMMUNICATION

The company publishes Quarterly/Half yearly/Annual results as required under the SEBI (LODR) Regulations, 2015.

Communication of Audited Financial Results (Quarterly and Annual)	The Company has regularly furnished, through email and electronic filing systems and such other mode, as may be required by the exchanges - within 30 (thirty) minutes (as applicable under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the case may be) of closure of the Board meeting, the quarterly audited as well as annual audited results to both the Stock Exchanges i.e., BSE & NSE. Quarterly and Annual financial results are also published in English and Hindi daily newspaper, i.e., Business Standard/Financial Express, Business Remedies and Nafa Nuksan
Website	Pursuant to the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's website www.somiinvestor.com , all the information which may be required by the Shareholders is available including financial results, shareholding pattern, stock exchange filings, Annual Reports, Corporate Governance Compliance Report, additional disclosures, etc.,
NSE Electronic Application Processing System (NEAPS) and BSE Online Listing Centre	The Company uploads its disclosures and announcements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the link, https://neaps.nseindia.com/NEWLISTINGCORP/ to NSE Electronic Application Processing System (NEAPS)/Digital Exchange and to BSE Online Listing Centre at the link, https://listing.bseindia.com/
SCORES (SEBI complaints redressal system)	SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Quarterly results and presentations made by the Company are available on Company's website on the following link: <https://www.somiinvestor.com/quarterly-results>.

No presentations have been made to institutional investors/analysts during the financial year.

VII. GENERAL SHAREHOLDERS INFORMATION

a) Date, time and venue of the 22nd Annual General Meeting:

Annual General Meeting is proposed to be held on Friday, 30th September, 2022 at 11:30 A.M at its Registered Office at 4F-15, "Oliver House", New Power House Road, Jodhpur – 342 003

b) Financial Calendar for FY 2022-23:

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on 30th June, 2022	Within Forty Five Days of the End of the Quarter
Quarter ending on 30th September, 2022	Within Forty Five Days of the End of the Quarter
Quarter ending on 31st December, 2022	Within Forty Five Days of the End of the Quarter
Annual Results of 2022-23	Within Sixty Days of the End of the Quarter
Annual General Meeting for the year ending March 31, 2023	In September, 2023

c) Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive) for the purpose of 22ND Annual General Meeting.

d) Trading window closure

The trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

e) Unclaimed Dividends

In terms of Section 124(5) of the Companies Act, 2013 ("Act") if a member does not claim the dividend amount for a consecutive period of seven years or more, the unclaimed amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Due date of transfer of unclaimed dividend to IEPF for the Financial Year 2015-16 and 2017-18 are mentioned herein below:

Financial Year ended	Due Date of Transfer
31.03.2016	16.11.2023
31.03.2018	27.11.2025

During the year under review, the Company was not liable to transfer any amount to the Investor Education and Protection Fund (IEPF).

f) Name and Address of Stock Exchanges where the Company's shares are listed and confirmation of payment of Annual Listing Fees :

S.NO.	NAME OF STOCK EXCHANGE	ADDRESS OF STOCK EXCHANGE
1.	Bombay Stock Exchange Ltd. (BSE) [w.e.f. 24th July, 2008]	Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
2.	National Stock Exchange of India Limited (NSE) [w.e.f. 18th July, 2016]	Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Annual Listing Fees have been paid for the Financial Year 2022-2023.

g) Stock Code

Particulars	Stock Code
Bombay Stock Exchange Ltd. (BSE)	533001
National Stock Exchange of India Limited (NSE)	SOMICONVEY
ISIN	INE323J01019

h) A) Market Price Data (in Rs.) (BSE Index):

Month & Year	High (Price)	Low (Price)	Volume (No. of Shares)
Apr - 21	40.15	29.65	59661
May - 21	58.45	40.50	244361
Jun - 21	63.65	46.00	220031
Jul - 21	66.30	55.25	198592
Aug - 21	59.90	41.10	138432
Sep - 21	68.50	48.30	236103
Oct - 21	53.00	44.70	59812
Nov - 21	48.20	37.30	72031
Dec - 21	45.00	32.05	157421
Jan - 22	48.90	38.45	100559
Feb - 22	47.50	37.05	179458
Mar - 22	40.25	32.20	51175

BSE SENSEX		
Month & Year	High	Low
Apr - 21	50,375.77	47,204.50
May - 21	52,013.22	48,028.07
Jun - 21	53,126.73	51,450.58
Jul - 21	53,290.81	51,802.73
Aug - 21	57,625.26	52,804.08
Sep - 21	60,412.32	57,263.90
Oct - 21	62,245.43	58,551.14
Nov - 21	61,036.56	56,382.93
Dec - 21	59,203.37	55,132.68
Jan - 22	61,475.15	56,409.63
Feb - 22	59,618.51	54,383.20
Mar - 22	58,890.92	52,260.82

B) Market Price Data (in Rs.) (NSE Index):

Month & Year	High (Price)	Low (Price)	Volume (No. of Shares)
Apr - 21	40.25	30.1	269793
May - 21	58.15	40.25	492562
Jun - 21	63.7	46.15	896225
Jul - 21	65.5	55.1	732268
Aug - 21	58.7	41.2	473521
Sep - 21	68.25	48.7	982656
Oct - 21	54	45.2	178413
Nov - 21	48.4	36.4	260636
Dec - 21	44.5	31.6	490810
Jan - 22	47.9	38.2	397482
Feb - 22	47	37.5	589311
Mar - 22	40.5	32.9	351662

NSE NIFTY		
Month & Year	High	Low
Apr - 21	15044.35	14151.4
May - 21	15606.35	14416.25
Jun - 21	15915.65	15450.9
Jul - 21	15914.2	15513.45
Aug - 21	17153.5	15834.65
Sep - 21	17947.65	17055.05
Oct - 21	18604.45	17452.9
Nov - 21	18210.15	16782.4
Dec - 21	17639.5	16410.2
Jan - 22	18350.95	16836.8
Feb - 22	17794.6	16203.25
Mar - 22	17559.8	15671.45

Note: The information is compiled from the data available on the BSE& NSE website.

i) Registrars and Share Transfer Agents:

Universal Capital Securities Private Limited

C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083.

Tel Nos. : (022) 28207203-05; Fax No. : (022) 28207207, Web: www.unisec.in

j) Share Transfer System

Pursuant to the requirement of the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, w.e.f. April 1, 2019, all the transfers of securities shall be mandatorily effected through dematerialized mode only. Further, the requirement of this provision is not applicable in case of transmissions/ transpositions.

As per the requirement of Regulation 40(9) & 61(4) of Listing Regulations, the Company has obtained the yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

k) Distribution of Shareholding As At 31st March 2022

Sr. No.	Slab of Shareholding		Shareholders		Number of Shares	Shares Values	
	No. of Equity Shares held		Number	In %		Face Value	In %
	From	To				(Rs.)	
1	1	500	5946	85.6896	768214	7682140	6.5215
2	501	1000	545	7.8542	424764	4247640	3.6059
3	1001	2000	253	3.6461	373651	3736510	3.1720
4	2001	3000	79	1.1385	196839	1968390	1.6710
5	3001	4000	25	0.3603	89422	894220	0.7591
6	4001	5000	21	0.3026	97202	972020	0.8252
7	5001	10000	37	0.5332	264855	2648550	2.2484
8	10001	& Above	33	0.4756	9564709	95647090	81.1968
Total			6939	100.00	11779656	117796560	100.00

Ownership Pattern as on 31st March, 2022

Category	Number of Shares	In %
Promoter and Promoter Group		
Individual/HUF	6960757	59.09
Public – Non Institution		
Individual	2559329	21.73
Clearing Member	33930	0.29
Bodies Corporate	2058044	17.47
Non-Resident Individual (NRI)	50886	0.43
HUF	116710	0.99
Total	11779656	100.00

l) Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. The Company's shares are regularly traded on the 'BSE Limited' and National Stock Exchange of India Limited. The shares in physical form are processed by the Registrar and transfer Agent and approved by the Stakeholder Relationship Committee. All valid transfers are processed within statutory period of the lodgment. 93.02% of the Share Capital of the Company is in dematerialized form.

m) Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:

During the year 2021-22, your Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

n) Commodity price risk or foreign exchange risk and hedging activities

The management of the Company takes effective steps timely to minimize the commodity price risks and also hedges its exposure.

o) Plant location:

*K.No-58, 58/5, 58/6, Village Tanawara, Tehsil Luni, District Jodhpur.

*H-2, 463-466, Sangaria Industrial Area, Jodhpur.

p) Address of Correspondence:

Mr. Amit Baxi
COMPANY SECRETARY & COMPLIANCE OFFICER
4 F-15, "Oliver House", New Power House Road, Jodhpur-342003
Tel.: +91-0291-2610472, 2637565, 2637564 Fax: +91-0291-2432307
E-mail:cmd@somiconveyor.com, csamitbaxi@gmail.com
Website: www.somiinvestor.com, www.somiconveyor.com

q) Credit Rating

CRISIL Rating Limited has assigned the credit rating of "CRISIL BB+/Stable" for long-term Bank facilities availed by the Company and credit rating of "CRISIL A4+" for the short-term Bank facilities availed by the Company.

VIII. DISCLOSURES

a) Related Party Transactions / Materially significant related party transactions:

During the year under review, there were no materially significant related party transactions that may have potential conflict of interest with the interests of your Company at large. Your Company has formulated the Policy on dealing with related party transactions and the same is available on the website of your Company and a web link thereto is as below:
https://www.somiinvestor.com/images/pdf/Policies/SOMI_-_Related_Party_Transaction_Policy.pdf

All Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which also forms part of the Policy. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and that such approval is in the interest of the Company and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in Notes to Accounts annexed to the Financial Statements and also mentioned in Director's Report pursuant to SEBI Listing Regulations, 2015.

b) Disclosure of accounting treatment in preparation of financial statements

Your Company has followed accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provision of the Act. The Company has uniformly applied the Accounting Policies during the period presented.

c) Statutory Compliance, Penalties and Strictures:

Your Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities during the last three years.

d) Whistleblower Policy / Vigil Mechanism

Your Company has in place Vigil Mechanism/Whistle Blower policy and the details of the same are provided in the Boards' Report. Further, it is affirmed that no personnel have been denied access to the Audit Committee.

e) Compliance with mandatory requirements and adoption of the non-mandatory requirements:

Your Company confirms that it has complied with all the mandatory requirements prescribed in the Listing Regulations. Your Company has partially adopted the non-mandatory requirements. Disclosures of the extent to which the discretionary requirements have been adopted are given elsewhere in this report.

f) Details of utilization of funds raise through Preferential Allotment or Qualified Institutional Placements as specified under regulation 32(7A)

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

g) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority

On the basis of written representations/ declaration received from the Directors, as on 31st March, 2022 a certificate from a Company Secretary in practice has been received confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

h) Recommendation of Committees of the Board during the FY 2021-22

During the year under review, there has been no instance where the Board has not accepted any recommendation(s) of any of the Committee of the Board which was mandatorily required to be accepted.

i) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

During the financial year 2021-22, total fees for all services paid by the listed entity to the Statutory Auditor are as follows:

Particulars	Details of Fees
Internal Audit	100,000/-
Statutory Audit	200,000/-
Tax Audit	100,000/-
Other Services	100,000/-

j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website; link of which is mentioned in Director's Report. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy. The Policy is gender neutral.

Status of complaints as on 31st March 2022:

S.No.	Particulars	Number of Complaints
1	Number of Complaints filed during the financial year	NIL
2	Number of Complaints disposed of during the financial year	N.A.
3	Number of Complaints pending as on end of the financial year	N.A.

k) Disclosure in relation to Loans and advances in the nature of loans to firms/companies in which directors are interested

Please refer details under disclosure of related party transactions in notes forming part of the financial statements.

l) Risk Management Framework:

The company has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures.

m) Disclosure on Commodity price risks or foreign exchange risk and hedging activities:

The management of the Company takes effective steps timely to minimize the commodity price risks and also hedges its exposure.

n) Disclosure on compliance with Corporate Governance Requirements specified in SEBI (LODR) Regulations, 2015:

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the SEBI (LODR) Regulations, 2015.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015 and necessary disclosures thereof have been made in this Corporate Governance Report.

o) MD/ CFO Certification:

The Managing Director (MD) and Chief Financial Officer (CFO) have issued the certificate in terms of Regulation 17(8) read with Part B of Schedule II to the Listing Regulations. The said certificate is annexed and forms part of this Annual Report.

p) Certificate on corporate governance:

As required by the SEBI (LODR) Regulations, 2015, the compliance certificate from Practising Company Secretary regarding compliance of conditions of corporate governance is annexed to the directors' report.

q) As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 30th September 2022.**r) Disclosure with respect to demat suspense account/ unclaimed suspense account:**

The Company was not required to credit any shares in the demat suspense account or unclaimed suspense account, hence disclosure is not applicable.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis report presents the key performance highlights of the year 2021-22 pertaining to the Company's business. This discussions related to the Company's financial condition and result of operation should be read in conjunction with the Integrated Report presented in the earlier sections of this Annual Report, the Company's financial statements, the notes thereto and the other information included elsewhere in this Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), complying with the requirements of the Company's Act 2013 and SEBI (LODR) Regulations, 2015.

FINANCIAL HIGHLIGHTS

The financial statements have been prepared in accordance with the requirement of the Companies Act, 2013, and applicable accounting standards issued by the Institute of Chartered Accountants of India. The management accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements are reflected in a true and fair manner and also reasonably present the Company's state of affairs and profit for the year.

The following table gives an overview of the financial results of the Company and its comparison with previous year results:

(Rs.in Lakhs)

	Year ended 31st March 2022	% of Revenue	% Growth / (% Decline)	Year ended 31st March 2021	% of Revenue
Revenue	5713.85	100.00%	22.11%	4679.27	100.00%
Earnings before interest, tax, depreciation	584.51	10.23%	(1.47%)	593.23	12.68%
Profit Before Tax	257.23	4.50%	9.28%	235.39	5.03%
Profit After Tax attributable to shareholders of the Company	171.58	3.00%	(2.58%)	176.12	3.76%
Total Comprehensive Income for the period attributable to Owners	171.58	3.00%	(2.58%)	176.12	3.76%
Earnings per Share (in Rs.)	1.46	-	(2.67%)	1.50	-

During the year 2021-22, the Company has continued implementation of its business strategy to give a better performance as compared to previous year. Your Company achieved revenue from operations for the year aggregated to 5713.85 Lakh registering an increase of 22.11% over the previous year's revenue of Rs. 4679.27 Lakh. Your Company was able to earn Net Profit Rs. 171.58 Lakh (decline of 2.58 % as compared to previous year. Due to pandemic and nationwide lockdown in first few months, some of the fiscal parameters and performance of the Company got impacted negatively. However, despite the same Company posted healthy profits. The Company further endeavors to do well in the current year by stabilizing plant operations, focusing on optimization of costs, improving operational efficiency and further strengthening the brand.

Segment-Wise and Product-Wise Performance

The Company has only one Segment which is manufacturing and sale of Industrial Conveyor Belts.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios. The Company has identified the following ratios as key financial ratios: -

	Units	Year ended 31 st March 2022	Year ended 31 st March 2021	% Change
Debtors Turnover	Days	167	237	(29.54%)
Inventory Turnover	Days	281	277	1.44%
Interest Coverage Ratio	Times	1.85	2.32	(20.26%)
Current Ratio	Times	1.99	2.27	(12.33%)
Debt Equity Ratio	Times	0.44	0.36	22.22%
Operating Profit Margin	%	6.22%	7.22%	(13.85%)
Net Profit Margin	%	3.00%	3.76%	(20.21%)

Change in Return on Net Worth

S. No.	Particulars	FY 22	FY 21	% Change	Reason for Change
1.	Return on Net worth	2.71%	2.86%	-5.24%	Post covid scenario effected the market trend as well Russia Ukraine war situation causes to inflation in cost of material, resulting which decline the Return on Equity

INDUSTRIAL SCENARIO

Financial Year 2021-22 (FY22) saw the continuing threat of COVID-19 pandemic. The year began on an ominous note with the second wave of the pandemic hitting many countries. The focus for individuals, communities, companies and nations was on finding innovative ways of working in a new normal, leveraging technology with a sharp focus on health and safety.

In the latter half of the year, the new COVID-19 variant - omicron – led to increased mobility restrictions and financial market volatility. The year continued to see supply disruptions, which weighed hard on economic activity. Along with these complexities, inflation was much higher and more broad-based than anticipated.

The global conveyor belt market size reached US\$ 6.33 Billion in 2021. Looking forward, IMARC Group expects the market to reach US\$ 7.77 Billion by 2027, exhibiting at a CAGR of 3.23% during 2022-2027.

The Conveyor Belt industry faced a number of challenges in FY2021 from COVID-19 and consequent lockdowns. Product demand was impacted as material handling and packaging industries such as mining, cement, power came to a halt, while production witnessed supply chain disruptions and manpower shortages. During the year, most businesses adopted costs cutting approach. This in turn, lead to a contraction in both demand and supply.

The Industry of Conveyor Belts has been witnessing a gradual shift in terms of consumer preferences from traditional conveyor belts to better quality premium products. It is also attracting healthy competitive environment, where players are applying different strategies to tap growing demand in the market space. The global Conveyor Belts market is fragmented and characterized by the presence of large international and regional vendors. Vendors compete in terms of price, brand image, turnaround time, quality, proximity to

service centers, technical expertise and previous installation history. The industry is made up of several large players who provide a large variety of standard type commodities and many smaller niche players who offer more custom products and solutions.

ABOUT THE COMPANY

Somi Conveyor Beltings Limited ("The Company") is one of leading Company engaged in manufacturing and distribution of premium quality customized Conveyor Belts to its clients across the globe that are used for different purposes. The Company has wide range of Conveyor Belts include M-24, Tiger M-27, HR Grade, SHR Grade, SHR T2 Upto 150 Deg Conveyor Belts, UHR Grade, UHR T3180 Deg Conveyor Belts, SEHR-36 (Crackless upto 250 Degree), SEHR-72 (Crackless upto 350 Degree), Fire Resistant SEFR-81, Oil Resistant, SAR-36 Fusion Belt(Combination of Fabric Belt and Steel Wires), STA(Bullet Proof Aramid Fabric), Chevron, Rough Top, Rubber Sheets and Matting etc. The Company has been earning trust with its customers globally by providing quality solutions to their conveying needs for over 22 years.

The Company have two manufacturing plants located at Jodhpur well connected by air, rail and road and equipped by 100% PLC based fully automatic & computerized machineries. Company is capable to produce New Generatio (Somiflex) Conveyor Belts upto 2000mm Width with Installed capacity of 9,00,000 meters per annum. Company manufactures the World-class Quality Conveyor Belts equivalent to Fenner, Yokohama, Dunlop, Continental. The Company's product is well accepted by the big industrial groups in Sponge Iron, Power and Mining Sector. Company has introduced the latest technology Conveyor Belts with innovative ideas.

Somi Conveyor Beltings Limited today has grown tremendously in terms of quality, volume and variety, striving even further for the best. The goal of the Company is to manufacture and deliver the highest quality conveyor belts for applications in the commercial, industrial and consumer markets worldwide.

STRENGTHS

- Experienced Promoters and Management Team
- Long Term Association with the Clients
- Talented, Competent and Skilled Manpower
- Strong market network coverage.
- There is a strong customer-centric focus
- There is a safety first culture in everything at SCBL

OPPORTUNITIES

A growing demand from the power, mining, and manufacturing industries represent one of the key factors driving the global conveyor belt market. As a result of heavy competition in the market, these industries are majorly reliant on efficient techniques to increase their productivity. The demand for conveyor belts is also boosted by the growth of infrastructural activities and macroeconomic factors such as GDP growth. Another major market trend that is gaining momentum is the growing demand for eco-friendly conveyor belts with self-cleaning properties, which tend to improve the operational costs of the industries

Green conveyors are a three-fold concept that involves lower energy consumption, minimizing the amount of material used in conveyors, and maximizing the positive human impact of these systems, such as lower noise and increased safety for employees. Green conveyors help manufacturers save money and address the pressing problem of climate change by lowering carbon emissions. According to a German Federal Environmental Agency study, electric motors account for more than 60% of Germany's power consumption in industrial manufacturing. Hence, high-efficiency motors can significantly reduce the electricity consumption of conveyor systems, making them green conveying solutions.

The increasing popularity of online shopping is the key factor boosting the growth of the e-commerce industry. E-commerce companies such as Flipkart (India) and Amazon (US) are extremely popular among online

shoppers. Thus, they need to stock large volumes of products in their warehouses. E-commerce companies also need to offer order accuracy, same-day same-hour delivery, and free returns to compete. Thus, e-commerce companies are constantly looking for economical ways to reduce their delivery times. Digitization in material handling equipment such as automated storage and retrieval systems (ASRS) and automated conveyors has emerged as a comprehensive solution. It has gained popularity among e-commerce companies, helping them handle order fulfillment processes efficiently. As demand for online purchasing continues to increase, the demand for conveyor systems in the e-commerce industry is expected to witness significant growth in the near future.

RISKS AND CONCERNS

The key risk in financial year 2022-23 are uncertainties arising out of steep increase in raw material prices and inflation which will result in the Conveyor Belt Industry remaining in slow lane in financial year 2022-23 and will slow down growth which will pose challenge to the Company's performance.

Your Company has devised a risk analysis and mitigation framework that relies on continuous and in-depth monitoring of the environmental factors, both internal and external, that impact the business. The Board dispenses with the responsibilities of framing of the risk mitigation framework, overseeing its implementation, and continually updating it while the responsibilities to implement it lie with its senior leadership. Your Company's approach to risk mitigation is driven by collection and management of data through technological means as well as through active stakeholder engagement. It is based on decision-making that treats business continuity and safety of its people as top priority. Your Company ensures that its risk mitigation strategy is aligned to its core values and its business objectives.

Following are the risk faced by Somi Conveyor Beltings Limited:

(i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Credit risk on cash and cash equivalents is limited as the Company makes investment in deposits with banks only.

(ii) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(a) Foreign currency exchange rate risk

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, against the respective functional currencies of Somi Conveyor Beltings Limited.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(b) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

OUTLOOK

According to the World Economic Outlook (WEO) update in April 2022, "Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low income countries hardest." Supply disruptions have become the norm and will result in higher and more broad-based inflation. Private and Industrial consumption is expected to recover much slowly leading to restrained consumer and Industrial demand. Against such see-sawing outlook, SCBL continues with its cautious approach. The focus of your company continues to be on investing in good costs and cutting down bad costs, employee safety and conserving cash. The Company is cutting down on all avoidable costs and focusing on good costs – R&D, eTraining, brand building, etc.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company believes that internal controls is one of the key pillars of governance, which provides freedom to the management to operate within a framework of appropriate checks and balances. The Company has proper systems of internal controls commensurate with the nature, size and risks in the business which ensure acceptable utilization of resources and reliable financial reporting.

The framework comprises of a well defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of authority, ERP controls, among others. IT policies and processes ensure mitigation of business risks through controls. These policies are complimented by a management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations.

The Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The ERP controls are regularly evaluated. Systems and processes are continuously improved by adopting best-in-class processes and automation, and implementing the latest digital tools.

The Company has a well-established, independent, and in-house internal audit function that is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements. It also suggests improvements to systems and processes. The Company has also identified and documented key internal financial controls for critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The financial controls are evaluated for operational effectiveness through management's ongoing monitoring and review process, and are independently evaluated by the internal audit team.

The head of internal audit reports functionally to the Audit Committee and administratively to the Chairman and Managing Director of the Company. Key internal audit findings are presented to the Audit Committee in quarterly meetings.

Most importantly, the senior management adopts policy of 'zero tolerance to non-compliance' and promotes a culture of continuous innovation and improvement. The management also supports independent and objective internal auditing and implements recommendations of the internal audit.

HUMAN RESOURCES

With the onset of pandemic, your Company's people focus during the last two years has been around being always available to them and assuring any kind of support (medical, financial or grievances). Multiple initiatives that were launched in FY 2020-21 during the first wave, continued into FY 2021-22 with renewed vigour. Your Company also undertook to vaccinate all employees.

Our people form an integral part of our journey towards transformational, responsible and sustainable change. Our people policies are designed to provide an excellent work environment that is safe, conducive, harmonious and support all round development of our employees. Our transition towards a Greener, Stronger and Smarter future is augmented by our efficient and safe operations. Our Values, Code of Conduct, Human Rights policies and practices empower employees to raise their voice in case of any discrimination, without any fear of retaliation.

As on 31st March, 2022, the Company had 106 on roll employees. These employees provide an excellent combination of experienced workforce and talented technical managers.

STATUTORY COMPLIANCE

The Board periodically reviews the declarations and compliance report with respect to the applicable statutes, enactments and guidelines of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any. Managing Director gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

CAUTIONARY STATEMENT

There are certain Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Governing Laws, Tax regimes, global economic developments and other factors such as litigation and labour negotiations.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members

Somi Conveyor Beltings Limited

CIN: L25192RJ2000PLC016480

4F-15, Oliver House, New Power House Road,

Jodhpur, Rajasthan – 342003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Somi Conveyor Beltings Limited** having CIN: L25192RJ2000PLC016480 and having registered office at 4F-15, Oliver House, New Power House Road, Jodhpur, Rajasthan – 342003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and the respective Directors, I hereby certify that **none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	Director Identification Number(DIN)
1	Om Prakash Bhansali	00351846
2	Vimal Bhansali	00351851
3	Gaurav Bhansali	00351860
4	Mahendra Rakhecha	00648532
5	Yogesh Maheshwari	01202089
6	Santosh Kumar Joshi	08950339
7	Surbhi Rathi	07115169

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Avijit Vasu & Associates
Practising Company Secretary

AVIJIT VASU
Proprietor

ACS: 37968; CP No. 14198
UDIN: A037968D000819958

Place: Jodhpur

Date: 20th August, 2022

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To,
The Members of
Somi Conveyor Beltings Limited
CIN: L25192RJ2000PLC016480
4F-15, Oliver House, New Power House Road,
Jodhpur, Rajasthan – 342003

This certificate is issued in accordance with the terms of my engagement with Somi Conveyor Beltings Limited (the Company). I have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Avijit Vasu & Associates
Practising Company Secretary

AVIJIT VASU
Proprietor

ACS: 37968; CP No. 14198
UDIN: A037968D000820002

Place: Jodhpur
Date: 20th August, 2022

DECLARATION ON CODE OF CONDUCT

I, O P Bhansali, Chairman and Managing Director of Somi Conveyor Beltings Limited do hereby confirm and declare that as stipulated under Regulation 34(3) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of my knowledge and belief, Members of the Board of Directors and Senior Management personnel of the Company have affirmed compliance, as on March 31, 2022, with the provisions of Code of Conduct as adopted by the Company.

This declaration has been issued on the basis of acknowledgement and confirmation, with respect to the compliance with the provisions of Code of Conduct of the Company, received from respective Members of Board of Directors and Senior Management.

For Somi Conveyor Beltings Limited

O P Bhansali
Chairman & Managing Director

Place: Jodhpur
Date: 3rd September, 2022

CEO/ CFO CERTIFICATION

(Pursuant to Regulation 17 (8) and Part B of Schedule II of SEBI (LODR) Regulations, 2015)

To
The Board of Directors
Somi Conveyor Beltings Limited
CIN: L25192RJ2000PLC016480
4F-15, Oliver House, New Power House Road,
Jodhpur, Rajasthan – 342003

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Somi Conveyor Beltings Limited (“the Company”), to the best of our knowledge and belief certify that:

(a) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2022 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might 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) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the listed entity's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

(i) There has not been any significant changes in the internal control over financial reporting during the year;

(ii) There has not been any significant changes in the accounting policies during the requiring disclosure in the notes to the financial statements; and

(iii) There has not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Somi Conveyor Beltings Limited**

O. P. Bhansali
Chairman & Managing Director

Manish Bohra
Chief Financial Officer

Place: Jodhpur
Date: 3rd September, 2022

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS
SOMI CONVEYOR BELTINGS LTD.
JODHPUR (RAJASTHAN)**

Report on the Audit of Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** (CIN: L25192RJ2000PLC016480) ("the company"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (here in after referred to as "Standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the 'Basis for the aforesaid Qualified the information standalone financial required by the Companies Act, 2013 as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention that as per the IND AS 19 "Employee Benefits", re-measurements of long term employee benefits and the corresponding liabilities is to be valued, validated and certified by an actuary. In the absence of said report we are unable to comment upon the correctness of the liability, accounts and disclosure required to be recognized in the financial result. The net impact of the same on profit remained uncertain.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the

context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matters	Auditor's Response
1.	Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Principal Audit Procedures Obtained details of completed tax assessments and demands for the year ended March 31, 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2021 to evaluate whether any change was required to management's position on these uncertainties.

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

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Standalone 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 Standalone Ind AS Financial Statement that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Standalone 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 standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone IND AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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.

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 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, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (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 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, as amended, 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 Standalone Ind AS Financial Statement – Refer to Note 31B to the Standalone Ind AS Financial Statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were 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, 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the

Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that has 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) contain any material misstatement.

- v) No dividend declared or paid during the year by the Company in compliance with section 123 of the Companies Act, 2013.

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER

M.No. 144679

UDIN: 22144679AMANBX9308

PLACE : JODHPUR

DATED: 30TH MAY, 2022

“Annexure A” to the Independent Auditor’s Report

The annexure referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** for the year ended March 31, 2022, we report that:

1. MAINTAINING RECORDS OF PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

- (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.
- (ii) Company has maintained proper records showing full particulars of intangible assets.
- (b) 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 a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified on yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both 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, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2. INVENTORIES AND WORKING CAPITAL

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

- (b) 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 not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Therefore clause 3 (ii)(b), of the order is not applicable .

3. LOANS & ADVANCES

- (a) According to the information and explanations given to us the Company has granted any loans, secured or unsecured, to companies, limited liability partnerships, and firm or other parties.
- i. During the year Company has granted Loan to director of Rs 1818016.00 which is repayable on demand and outstanding balance as on 31.03.2022 is Rs. 1818016.00.
- (b) According to the information and explanation given to us, there are no investments made, guarantees provided, security given where terms and conditions of the grant of all the loans and advances in nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) In respect of loans and advances is repayable on demand.
- (d) No amount has been overdue hence this clause is not applicable.
- (e) No loan has been restructured so this clause is also not applicable.

4. COMPLIANCE OF SECTION 185 & 186

According to information & explanation given to us and on the basis of our examination of the records, the company has given loan to its whole time director, a person specified under section 185 of Companies Act 2013. Conditions of the loans given are prima facie, not prejudicial to the interest of the Company. Further, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in relation to loans given and investments and providing guarantees and securities, as applicable.

Company has neither made any investment nor given any loan or provided any guarantee or security to anybody corporate as specified under section 186 of Companies Act 2013. Hence, clause (iv) of paragraph 3 of "the Order" is not applicable to the Company in context of section 186 of Companies Act 2013.

5. ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits, therefore directive issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, clause (v) of paragraph 3 of "the Order" is not applicable to the Company.

6. COST RECORDS

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the

opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. STATUTORY DUES

- (a) On the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, Goods and Services Tax, duties of customs and other material statutory dues have been generally regular in depositing during the year by the Company with the appropriate authorities.
- (b) According to the information and explanation given to us there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Services Tax, Cess except as stated below:

Name of the Statute	Nature of dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	7800000.00	A.Y. 2015-16	CIT(Appeal) However, Rs. 1950000.00 paid as 20% of Rs.9750000.00 demand raised.

8. UNRECORDED INCOME

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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

9. DEFAULT IN REPAYMENT OF BORROWINGS

- (a) As per the information and according to the explanations given to us the Company has not delayed in repayment of any loans or other borrowings therefore clause 3(ix) (a) of the Order is not applicable.
- (b) As per the information and according to the explanations given to us the company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) As per the information and according to the explanations given to us the company has availed term loan and was applied for the purpose for which loans were obtained.
- (d) The Company has not raised fund on short term basis therefore clause 3(ix) (d) of the Order is not applicable.

(e) The company doesn't have subsidiaries, associates or joint ventures therefore clause 3 (ix) (e) of the Order is not applicable.

(f) The company doesn't have subsidiaries, joint ventures or associate companies therefore clause 3(ix) (f) of the Order is not applicable.

10. MONEYS RAISED BY IPO, FPO& PREFERENTIAL ALLOTMENT/ PRIVATE PLACEMENT OF SHARES OR CONVERTIBLE DEBENTURES

(a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) therefore clause 3(x) (a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year therefore clause 3(x) (b) of the Order is not applicable.

11. FRAUD

(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) (b) As per the information and according to the explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year therefore there is no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) As per the information and according to the explanations given to us there are no whistle-blower complaints, received during the year by the company;

12. NIDHI COMPANY

The company is not a Nidhi Company as defined under section 406 of companies Act 2013. Therefore; clause (xii) of paragraph 3 of the order is not applicable to the company.

13. TRANSACTIONS WITH RELATED PARTY

As per the information and explanation given to us, all transactions with related parties are in compliance with the provision of section 177 and section 188 of Companies Act, 2013. The relevant disclosure as required by Ind AS-24 has been made in the Standalone Ind AS Financial Statements.

14. INTERNAL AUDIT SYSTEM

In our opinion and according to the information and explanations given to us:

- (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.

15. NON CASH TRANSACTIONS WITH DIRECTORS

According to the information and explanation given to us, Company has not entered in to any non cash transactions with directors or persons connected with the directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

16. NBFC REGISTRATION

In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC Accordingly, clause 3(xvi) (a) (b) (c) (d) of the Order is not applicable.

17. CASH LOSSES

In our opinion and according to the information and explanations given to us the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. REGISTRATION OF THE STATUTORY AUDITORS DURING THE YEAR

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

19. CAPABILITY OF COMPANY OF MEETING ITS LIABILITIES EXISTING AT THE DATE OF BALANCE SHEET

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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

20. TRANSFER OF AMOUNT REMAINING UNSPENT UNDER SUB-SECTION (5) OF SECTION 135 TO FUND SPECIFIED IN SCHEDULE VII

- (a) Provisions of this section are not applicable to company. Accordingly, clause 3(xx)(a) of the Order is not applicable.

- (b) 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, clause 3(xx) (b) of the Order is not applicable.

21. REASONS TO BE STATED FOR UNFAVOURABLE OR QUALIFIED ANSWER

As the Company has presented its standalone financial statements therefore requirement of clause 3 (xxi) of the Order is not applicable.

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER

M.No. 144679

UDIN: 22144679AMANBX9308

PLACE : JODHPUR
DATED: 30TH MAY, 2022

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of SOMI CONVEYOR BELTINGS 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 **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS 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, of to the best our information and according to the explanations given to us, 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 SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER

PLACE : JODHPUR
DATED: 30TH MAY, 2022

M.No. 144679
UDIN: 22144679AMANBX9308

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022**(Rs. in Lacs)**

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
1. Non-Current Assets			
(a) Property, plant and equipment	2	2,607.43	2,651.41
(b) Capital work-in-progress	2	18.28	9.95
(c) Other intangible assets	2	-	0.14
(d) Intangible assets under development	2	193.94	-
(e) Financial assets			
(i) Investment	3	0.23	0.23
(ii) Trade receivables	9	321.99	99.86
(iii) Other financial assets	5	30.65	44.20
(f) Deferred Tax assets (Net)	6	22.76	52.67
(g) Other non financial assets	7	25.68	20.90
Total Non-Current Assets		3,220.96	2879.36
2. Current Assets			
(a) Inventories	8	4,396.51	3,550.62
(b) Financial assets			
(i) Trade Receivables	9	2,285.25	2,944.86
(ii) Cash and cash equivalents	10	11.78	54.85
(iii) Other bank balances	10	346.04	238.67
(iv) Loans	4	20.30	4.66
(v) Other financial assets	5	120.74	93.64
(c) Other Non financial assets	7	295.10	262.88
Total Current Assets		7,475.72	7150.18
Total Assets		10,696.68	10029.55
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	11	1,177.97	1,177.97
(b) Other Equity	12	5,244.07	5,072.49
Total Equity		6,422.04	6,250.46

Liabilities
1. Non-Current Liabilities

(a) Financial Liabilities

(i) Borrowings	13	502.55	604.96
(b) Provisions	15	20.50	19.23

Total Non-Current Liabilities		523.05	624.19
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2. Current Liabilities

(a) Financial liabilities

(i) Borrowings	13	2,331.94	1,615.92
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	17	48.37	196.00
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	1,010.81	890.12
(iii) Other financial liabilities	14	158.35	133.71
(b) Other non financial liabilities	16	163.52	296.37
(c) Net Employee Benefit Liabilities	15	2.15	1.90
(d) Current Tax Liabilities	6	36.45	20.87

Total Current Liabilities		3,751.59	3,154.89
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Total Liabilities		4,274.64	3,779.08
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Total Equity and Liabilities		10,696.68	10,029.55
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Significant Accounting Policies	1
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The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER
M. NO. 144679
UDIN : 22144679AMANBX9308

PLACE : JODHPUR
DATED: 30TH MAY, 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

GAURAV BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351860

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lacs)			
Particulars	Note	Year ended March 31, 2022	2021
INCOME			
Income from operations	18	5,723.39	4,687.51
Other Income	19	33.01	15.35
Total Income (A)		5,756.40	4,702.86
EXPENSES			
Production Expenditure	20	532.41	432.05
Cost of Material Consumed	21	4,406.99	2,864.51
Purchase of Stock in Trade		5.94	-
Changes in inventories of finished goods, Stock-in-process and stock-in-trade	22	(270.44)	196.42
Employee benefits expenses	23	268.25	264.79
Finance costs	24	310.81	330.23
Depreciation, depletion and amortization expenses	2	97.99	102.24
Other expenses	25	147.22	277.23
Total Expenses (B)		5,499.17	4,467.48
Profit before exceptional items and tax (A-B)		257.23	235.39
Exceptional items		-	-
Profit before tax		257.23	235.39
Tax Expense			
Current Tax	6	36.45	20.87
Prior Period Tax		19.29	-
Deferred tax	6	29.91	38.40
Profit after tax for the period (C)		171.58	176.12
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments		-	-
Remeasurement of post-employment benefit obligations		-	-
Income tax relating to these items		-	-
(B) Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the period, net of tax (D)		-	-
Total Comprehensive Income for the Period (C+D)		171.58	176.12
Earnings per equity share (EPS) (Face Value of Rs. 1/- each)	26		
Basic (In Rs.)		1.46	1.50
Diluted (In Rs.)		1.46	1.50
Significant Accounting Policies	1		
The accompanying notes are integral part of the standalone financial statements.			

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER
M. NO. 144679
UDIN : 22144679AMANBX9308

PLACE : JODHPUR
DATED: 30TH MAY, 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

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(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED ON 31ST MARCH 2022

A. Equity Share Capital (Rs. in Lacs)

Particulars	Number of Shares	Amount
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
Equity Shares of Rs. 10/- each fully paid up		
Balance as at 1st April, 2020	11779656	1177.97
Changes due to prior period error	-	-
Restated balance as at 1st April, 2020	11779656	1177.97
Movements during the year	-	-
Balance as at 31st March, 2021	11779656	1177.97
Changes due to prior period error	-	-
Restated balance as at 1st April, 2021	11779656	1177.97
Movements during the year	-	-
Balance as at 31st March, 2022	11779656	1177.97

B. Other Equity (Rs. in Lacs)

Particulars	Reserve & Surplus		Other Comprehensive Income FVOCI - Equity Investments	Total Other Equity
	Securities Premium	Retained Earnings		
Balance at April 1, 2020	1,818.17	3,066.97	18.84	4,903.98
Changes in accounting policy / prior period errors	-	-	-	-
Restated balance at April 1, 2020	1,818.17	3,066.97	18.84	4,903.98
Profit for the year	-	176.12	-	176.12
Other comprehensive income for the year	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	(7.61)	-	(7.61)
Total comprehensive income for the year	-	168.51	-	168.51
Balance at March 31, 2021	1,818.17	3,235.48	18.84	5,072.49
Changes in accounting policy / prior period errors	-	-	-	-
Restated balance at April 1, 2021	1,818.17	3,235.48	18.84	5,072.49
Profit for the year	-	171.58	-	171.58
Other comprehensive income for the year	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-
Total comprehensive income for the year	-	171.58	-	171.58
Balance at March 31, 2022	1,818.17	3,407.06	18.84	5,244.07

Purpose of Reserves & Surplus:

(i) Securities Premium: Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

(ii) Retained Earnings: The amount that can be distributed by the Company as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER
M. NO. 144679
UDIN : 22144679AMANBX9308

PLACE : JODHPUR
DATED: 30TH MAY, 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

GAURAV BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351860

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(Rs. in Lacs)	
	Year ended March 31, 2022	2021
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit /(loss) before tax	257.23	235.39
Adjustments for:		
Depreciation, Amortisation & Depletion	97.99	102.24
Interest & Finance Charges	229.29	255.60
	584.51	593.23
Interest and Dividend Income	(15.94)	(14.35)
Operating Profit before working capital changes	568.57	578.88
Adjustments for working capital changes		
Change in Current/non-current Assets		
(Increase)/decrease in Other Financial Assets	(136.56)	11.27
(Increase)/decrease in Other Assets	(54.43)	100.52
(Increase)/decrease in Inventories	(845.89)	387.86
(Increase)/decrease in Trade Receivables	437.48	(1,383.97)
Change in Current/Non-current Liabilities		
Increase/(decrease) in Other Financial Liabilities	24.63	(32.16)
Increase/(decrease) in Provisions	1.52	(9.66)
Increase/(decrease) in Other Liabilities	(163.87)	145.42
Increase/(decrease) in Trade payables	(26.94)	568.30
Cash Generated from/(Used in) Operations	(195.49)	366.46
Taxes (paid)/ refund	8.30	-
Net Cash Generated from/(Used in) Operating Activities (A)	(187.19)	366.46
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(256.14)	(21.92)
Sale of Investments in Subsidiaries /(Investment in Subsidiaries)	-	-
Interest and Dividend Income received	15.94	14.35
Net Cash Generated from/(Used in) Investing Activities (B)	(240.20)	(7.57)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds /(Repayment) to Non-Current Borrowings (including current maturities) (net)	(102.41)	208.09
Proceeds /(Repayment) to Current Borrowings (net)	716.02	(344.35)
Interest & Financing Charges paid	(229.29)	(255.60)
Net Cash Generated from/(Used in) Financing Activities (C)	384.32	(391.86)
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	(43.07)	(32.97)
Cash and Cash equivalents at the Beginning of the Year	54.85	87.82
Cash and Cash equivalents at the End of the Year	11.78	54.85

Notes:

(i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS-7 Statements of Cash Flows.

Components of Cash and Cash Equivalent are as under:

Particulars	As At	
	31-Mar-22	31-Mar-21
Cash on hand	3.40	17.99
Balances with Banks*		
In Current Accounts	8.38	36.86
	11.78	54.85

(ii) Previous year figures have been regrouped & reclassified wherever considered necessary to confirm to the current year's figures.

(iii) Balance with banks includes Unclaimed dividend of RS. 1.51 lacs.

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(SHILPA SINGHVI)
PARTNER
M. NO. 144679
UDIN : 22144679AMANBX9308

PLACE : JODHPUR
DATED: 30TH MAY, 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

GAURAV BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351860

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

CORPORATE INFORMATION

Somi Conveyor Beltings Ltd. (referred to as "the company ") is one of the leading Conveyor belts manufacturing companies in India with operations spanning across Rajasthan, Maharashtra, Gujarat and Tamil Nadu with manufacturing facilities located at Jodhpur, Rajasthan.

The Company is a public limited company incorporated and domiciled in India. The registered office of the Company is located at 4F-15, "Oliver House", New Power House Road, Jodhpur. Equity Shares of the Company are listed on Bombay Stock Exchange ("BSE") as well as National Stock Exchange ("NSE").

1. SIGNIFICANT ACCOUNTING POLICIES

(A) General Information and Statement of Compliance with Ind AS

These standalone Ind AS financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. The financial statements are presented in Indian Rupees ("Rs.") which is also the functional currency of the Company. The financial statements for the year ended 31 March, 2022 were authorized and approved for issue by the Board of Directors on 30th May, 2022.

The revision to financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

(B) Basis for preparation of Financial Statements

The accounts have been prepared in accordance with Ind AS and disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

The financial statements have been prepared on accrual basis and under historical cost basis, except certain financial assets and liabilities measured at fair value.

Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013 and Para 60 and 64 of Ind AS 1 "Presentation of Financial Statements".

(C) Use of estimates and judgements

Ind AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is

recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

(D) Recognition of Income and Expenses

- i. Revenue from the sale of goods is recognised when all the following conditions have been satisfied:
 - a. The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
 - b. The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - c. The amount of revenue can be measured reliably;
 - d. It is probable that the economic benefits associated with the transaction will flow to the entity; and
 - e. The costs incurred or to be incurred in respect of the transaction can be measured reliably.
- ii. Sales are measured at the fair value of consideration received or receivable. Based on the educational material on Ind AS 115 issued by ICAI, the company has assumed that the recovery of excise duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms a part of the cost of production, irrespective of whether the goods are sold or not. However, Goods and Service Tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.
- iii. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
 - a. the amount of revenue can be measured reliably;
 - b. it is probable that the economic benefits associated with the transaction will flow to the entity;
 - c. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
 - d. the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- iv. Dividend is recognised when the shareholder's right to receive payment is established.
- v. Interest is recognised using the effective interest method as set out in Ind AS 39.
- vi. Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

(E) Cost recognition

Costs and expenses are recognized when incurred and are classified according to their nature. Expenditure capitalized represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction including product development undertaken by the Company.

(F) Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.

(G) Foreign currency

The company's financial statements are presented in INR ("Rs."), which is also the company's functional currency.

- i. Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- ii. Monetary Assets/Liabilities in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- iii. Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(H) Taxation

i. Income Tax

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in such case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for

relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

ii. Deferred Tax

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

(I) Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

(J) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, components and consumables are ascertained on a moving weighted average/monthly moving weighted average basis. Cost including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all costs incurred in bringing the inventory to their present location and condition.

(K) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.

Interest cost incurred for constructed assets is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Written down Value (WDV) method over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. The estimated useful life of items of Property, Plant & Equipment is mentioned below:

	Years
Factory Buildings	30
Buildings (Other than Factory Buildings)	60
Plant & Machinery	25
Furniture & Fixtures and Laboratory Equipments	10
Vehicles	8
Office Equipments	5
Computers	3

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2017 as the deemed cost.

Till year ended 31st March, 2019, the estimated useful life of certain assets of plant and machinery were 15 years with residual value of 5% of original cost. The management, based on internal and external technical evaluation, reassessed the estimates. On the basis of technical evaluation made by the Management, the Company has revised the useful life of those assets in the range of 25 years and residual value to 20% of original cost effective from 1st April, 2019.

(L) Other intangible assets

Intangible Assets are initially recognized at:-

- In case the assets are acquired separately, then at cost,
- In case the assets are internally generated, then at capitalized development cost subject to satisfaction of criteria of recognition (identifiability, control and future economic benefit) laid down from clause 11 to 17 of IND AS 38.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. Research costs are recognized as expense in the period in which it is incurred.

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Intangible assets with infinite useful life including goodwill are tested for impairment annually.

Intangible assets with finite useful life are amortized over the useful economic life on a straight line basis. In case of Trade Marks the useful life is taken to be 5 years and in case of Software, the useful life is taken as 3 years.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2017 as the deemed cost.

(M) Leases 116

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee**a) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an

operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(N) Impairment

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where 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.

Recoverable amount is the higher of fair value less costs to sell 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 recognized immediately in the Statement of Profit and Loss.

The company assesses impairment based on Expected Credit Losses (ECL) model at an amount equal to:-

- 12 months Expected Credit Losses, or
- Lifetime Expected Credit Losses depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As at March 31, 2022, none of the Company's property, plant and equipment and intangible assets were considered impaired.

(O) Employee benefits

- i. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.
- ii. ESI is provided on the basis of actual liability accrued and paid to authorities.
- iii. Gratuity Liability is on the basis of actuarial valuation as per IND AS-19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets.

- iv. The defined benefit obligation is calculated annually by actuaries. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- v. In accordance with Indian law, eligible employees of the Company is entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).
- vi. Actuarial gain / loss pertaining to re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

(P) Dividends

Any dividend declared or paid by the Company for any financial year is based on the profits available for distribution as reported in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and payment of Dividend) Rules, 2014.

(Q) Segments

Based on "Management Approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Board of Directors of the Company allocate resources and assess the performance of the Company, thus are the CODM. The Company is engaged mainly in the business of manufacturing of Conveyor Belts consisting of all types of Conveyor Belts. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment.

(R) Financial instruments

i) Classification, initial recognition and measurement:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

- **Financial assets at Amortised Cost:**
Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.
- **Financial Liabilities:**
All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

ii) Derecognition of financial assets and financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity which qualifies for derecognition as per Ind AS 109. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes 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 recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged, cancelled or expires.

iii) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses (ECL) on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time ECL and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

(S) Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost is recognized as expense in the period in which they are incurred.

(T) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(U) Investments

Long term investments intended to be held for more than a year from the date of acquisition, are classified as long term investments and are carried at cost. Provision is made for diminution, other than temporary, in value of investments. Current investments are valued at lower of cost and market value.

(V) Events after the reporting Period

Adjusting Events:

The Company is adjusting the amounts recognized in the financial statements to reflect adjusting events after reporting period.

Non adjusting Events:

All material non adjusting events are disclosed by way of notes stating its nature and material impact or a statement that its estimate cannot be made.

Notes to Standalone Financial Statements for the year ended 31 st March 2022									
Note 2									
A. Property, Plant & Equipment as at 31st March 2022									
Particulars	Gross Block				Depreciation, Depletion and Amortization			Net Block	
	As at 1st April 2021	Addition during the year	Disposal / Adjustments during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal / Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Freehold Land	593.80	-	-	593.80	-	-	-	593.80	593.80
Office Building	219.63	-	-	219.63	103.00	5.37	-	111.26	116.63
Factory Building	1,079.83	-	-	1,079.83	712.08	34.79	-	332.96	367.75
Plant and Machinery	4,943.27	-	-	4,943.27	3,473.03	34.20	-	1,436.04	1,470.24
Plant and Machinery-2	229.17	43.57	-	272.74	153.01	16.47	-	103.26	76.16
Furniture and Fixture	52.28	5.51	-	57.79	49.13	0.44	-	8.22	3.15
Laboratory Equipments	53.21	-	-	53.21	47.12	1.53	-	4.56	6.09
Office Equipment	19.19	4.19	-	23.38	16.28	1.69	-	5.41	2.91
Computer Equipment	29.80	0.60	-	30.40	28.30	0.30	-	1.80	1.50
Vehicles	162.97	-	-	162.97	149.79	3.06	-	10.12	13.18
Total Property, Plant & Equipment	7,383.15	53.87	-	7,437.02	4,731.74	97.85	-	2,607.43	2,651.41
B. Intangible Assets as at 31st March 2022									
Trade Mark & Computer Software	4.71	-	-	4.71	4.57	0.14	-	-	0.14
C. Capital Work In Progress as at 31st March 2022									
Capital Work In Progress **	9.95	212.22	9.95	212.22	-	-	-	212.22	9.95
Total (A+B+C)	7,397.81	266.09	9.95	7,653.95	4,736.31	97.99	-	2,819.65	2,661.50
** Capital Work in Progress includes INR 193.94 Lacs incurred during the year towards development phase for inventing new product range SEHR-99 Grade Conveyor Belting, development of product range was under process as on 31.3.2022 hence total cost of project incurred during development phase will amortise over the period from the year the final new product becomes available for sale.									

(i) CWIP ageing schedule for the year ended 31 March 2022:

Particulars	Amount in CWIP for a period of				(Rs. in Lacs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	18.49	0.00	0.00	0.00	18.49
Development in Progress	193.74	0.00	0.00	0.00	193.74

CWIP Completion Schedule

Particulars	To be Completed in				(Rs. in Lacs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects 1	8.77	0.00	0.00	0.00	8.77
Projects 2	1.69	0.00	0.00	0.00	1.69
Projects 3	6.87	0.00	0.00	0.00	6.87
Projects 4	1.16	0.00	0.00	0.00	1.16
Development in Progress	193.74	0.00	0.00	0.00	193.74

(ii) CWIP ageing schedule for the year ended 31 March 2021:

Particulars	Amount in CWIP for a period of				(Rs. in Lacs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	3.68	1.94	0.00	4.34	9.95
Project Temporary Suspended					

CWIP Completion Schedule

Particulars	To be Completed in				(Rs. in Lacs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	0.64	0.00	0.00	0.00	0.64
Project 2	1.94	0.00	0.00	0.00	1.94
Project 3	3.70	0.00	0.00	0.00	3.70
Project 4	1.18	0.00	0.00	0.00	1.18
Project 5	2.50	0.00	0.00	0.00	2.50

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**NOTE 3.
INVESTMENTS**

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Non-Current		
NSC	0.23	0.23
Total Non Current Investments	0.23	0.23

**NOTE 4.
LOANS**

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Current		
Loans and Advances to Employees		
Unsecured, considered good	2.12	4.66
Advances to Related Parties*		
Unsecured, considered good	18.18	
Total Current Loans	20.30	4.66

* Advance granted to Director as per Company Policy on short term advance basis.

**NOTE 5.
OTHER FINANCIAL ASSETS**

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Non-Current		
Security & other deposits	30.65	44.20
Total Non-Current Financial Assets	30.65	44.20
Current		
Security & other deposits	120.74	93.64
Total Current Financial Assets	120.74	93.64

NOTE 6.
A) NON CURRENT TAX ASSETS (NET)

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	15.00	10.00
Provision for Tax	(36.45)	(20.87)
Non Current Tax Assets (Net)	(21.45)	(10.87)

B) TAX EXPENSE

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Current Income Tax	36.45	20.87
Prior Period Taxes	19.29	-
Deferred Tax Expense	29.91	38.40
Total Tax Expense for the Year	85.65	59.27

Reconciliation of effective income tax rate		(Rs. in Lacs)
PARTICULARS	As at March 31, 2022	As at March 31, 2022
Profit before tax	-	
Tax using the Company's domestic tax rate @ 25.168% (Last Year @ 25.168%)	257.23	235.39
Tax effect of:		
Non-deductible tax expenses		
Provision for bad debts not allowable for taxes	11.06	3.68
Depreciation as per Statement of Profit and Loss	97.99	102.24
Disallowance U/s 43B		
Any sum payable by way of contribution to any provident fund or superannuation fund or gratuity fund or any other fund for the welfare of employees-Gratuity & Leave Encashment	6.25	6.46
Deductions		
Depreciation as per Income tax act	230.61	259.16
Deduction allowable - Others		
Deduction u/s. 43B	3.55	5.74
Total Taxable Income	138.37	82.87
Tax expense recognised in Statement of Profit and Loss at the effective tax rate of 25.168 % (PY : 25.168%)	36.45	20.87
Short/(Excess) Provision of tax for earlier years	19.29	-
Deffered Tax Liability	29.91	38.40
Total Tax Liability recognised in Statement of Profit & Loss account	85.65	59.27

C) DEFERRED TAX ASSET/ (LIABILITIES) [NET]							(Rs.in Lacs)	
Particulars	31 st March, 2022							
	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)								
On deficit of carrying value of PPE over Tax base	(40.04)	(33.37)	-	-	-	(73.41)	-	(73.41)
Provision for Employee Benefit	2.35	0.68	-	-	-	3.03	3.03	-
Provision for Expenses	9.08	2.78	-	-	-	11.86	11.86	-
Deffered Revenue	(4.25)	-	-	-	-	(4.25)	-	(4.25)
Other items	85.53	-	-	-	-	85.53	85.53	-
Tax assets/ (liabilities)	-	(29.91)	-	-	-	-	100.42	77.66
Net tax assets/ (liabilities)	52.67	-	-	-	-	-	22.76	-

(Rs.in Lacs)

Particulars	31 st March, 2021							
	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)	-	-		-				
On deficit of carrying value of PPE over Tax base	(0.55)	(39.49)	-	-	-	(40.04)	-	(40.04)
Provision for Employee Benefit	2.54	(0.19)	-	-	-	2.35	2.35	-
Provision for Expenses	8.16	0.92	-	-	-	9.08	9.08	-
Deffered Revenue	(4.61)	0.36	-	-	-	(4.25)	-	(4.25)
Other items	85.53	-	-	-	-	85.53	85.53	-
Tax assets/ (liabilities)	-	(38.40)	-	-	-	-	96.96	(44.29)
Net tax assets/ (liabilities)	91.07	-	-	-	-	-	52.67	-

NOTE 7
OTHER NON-FINANCIAL ASSETS
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2022
Non-Current		
Prepaid expense	16.59	20.69
Capital Advances	9.09	0.21
Total Non-current non-financial assets	25.68	20.90
Current		
Prepaid expense	36.96	37.43
Advances to vendors	49.39	48.13
Balance with Government Authorities	149.82	159.88
Export Incentives Receivable	11.90	17.44
Other non financial assets	47.03	-
Total current non-financial assets	295.10	262.88

NOTE 8
INVENTORIES (For valuation, refer significant accounting policy)
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2022
Raw materials & components	2268.40	1660.94
Work-in-progress	1196.72	982.21
Finished goods	921.90	865.97
Goods-in-transit - Finished goods	9.49	41.50
Total Inventories	4396.51	3550.62

Inventories have been hypothecated with banks against working capital loans.

NOTE 9**TRADE RECEIVABLES****(Rs. in Lacs)**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Non Current		
Trade Receivable considered good - Unsecured	321.99	99.86
Trade Receivable considered doubtful - Unsecured	16.77	0.78
Trade Receivable Credit Impaired	-	-
Less : Impairment on account of expected credit loss assessment	(16.77)	(0.78)
Total Trade Receivables	321.99	99.86

a. Details of Trade Receivable Ageing**As at 31st March, 2022****(Rs. in Lacs)**

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	-	-	-	-	0.89	6.93	283.45	291.27
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	0.05	0.37	15.57	15.99
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	13.95	13.95
Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	0.78	0.78
Total Trade Receivables	-	-	-	-	0.94	7.30	313.75	321.99

As at 31st March, 2021**(Rs. in Lacs)**

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	84.35	84.35
Disputed Trade Receivables - Considered good							14.72	14.72
Disputed Trade Receivables - Considered doubtful							0.78	0.78
Total Trade Receivables	-	-	-	-	-	-	99.85	99.85

TRADE RECEIVABLES**(Rs. in Lacs)**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Current		
Trade Receivable considered good – Unsecured	2285.25	2944.86
Trade Receivable considered doubtful - Unsecured	7.02	12.73
Trade Receivable Credit Impaired	-	-
Less : Impairment on account of expected credit loss assessment	(7.02)	(12.73)
Total Trade Receivables	2285.25	2944.86

**a. Details of Trade Receivable Ageing
As at 31st March, 2022**
(Rs. in Lacs)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	-	1,603.17	81.43	94.68	35.53	202.93	260.49	2,278.23
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	0.51	6.51	7.02
Total Trade Receivables	-	1,603.17	81.43	94.68	35.53	203.44	267.00	2,285.25

As at 31st March, 2021
(Rs. in Lacs)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	-	2,057.48	128.83	11.30	229.63	116.69	388.21	2,932.14
Undisputed Trade Receivables - Considered doubtful	-	-	-	-	0.37	6.88	5.47	12.72
Total Trade Receivables	-	2,057.48	128.83	11.30	230.00	123.57	393.68	2,944.86

Trade Receivables include balance with related parties.

NOTE 10
CASH AND CASH EQUIVALENTS & OTHER BANK BALANCES
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents*		
Balance with banks / financial institutions		
In current accounts*	8.38	36.86
Cash on hand	3.40	17.99
Total Cash & Cash Equivalents	11.78	54.85
Other Bank Balances		
Margin money deposits		
With original maturity of more than 3 months but upto 12 months	346.04	238.67
Total Other Bank Balances	346.04	238.67

* Balance with banks includes unclaimed dividend of 0.35 for F.Y. 2017-18 and 1.16 for F.Y.2015-16

NOTE 11**EQUITY SHARE CAPITAL****(Rs. in Lacs)**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
AUTHORISED SHARE CAPITAL *		
2,50,00,000 equity shares of Rs. 10 each (31st March, 2021 : 2,50,00,000 equity shares of Rs. 10 each)	2500.00	2500.00
Total	2500.00	2500.00
Issued, subscribed and paid up capital*		
1,17,79,656 equity shares of Rs. 10 each (31st March, 2021 : 1,17,79,656 equity shares of Rs. 10 each)	1177.97	1177.97
Total	1177.97	1177.97

* There are no movements / changes in authorised, issued, subscribed and fully paid up equity share capital.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

PARTICULARS	No. of Shares Equity Shares of Rs.10 each fully paid	Rs. in Lacs
Shares outstanding at 1st April 2020	11779656	1177.97
Add : Shares issued during the year	-	-
As at 31st March 2021	11779656	1177.97
Shares outstanding at 1st April 2021	11779656	1177.97
Add : Shares issued during the year	-	-
As at 31st March 2022	11779656	1177.97

Details of shareholder(s) holding more than 5% Equity Shares in the company:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Number of Equity Shares		
Om Praksah Bhansali	4,417,011	4,417,011
Om Kumari Bhansali	1,091,221	1,091,221
Vimal Bhansali	598,840	598,840
% Holding in Equity Shares		
Om Praksah Bhansali	37.50%	37.50%
Om Kumari Bhansali	9.26%	9.26%
Vimal Bhansali	5.08%	5.08%

Disclosure of Shareholding of Promoters

Promoter Name	Class of Shares	As at 31 March 2022		As at 1 April 2021		% Change during the year
		No. of Shares	%of total shares	No. of Shares	%of total shares	
Om Prakash Bhansali	Equity	4,417,011	37.50%	4,417,011	37.50%	-
Om Kumari Bhansali	Equity	1,091,221	9.26%	1,091,221	9.26%	-
Vimal Bhansali	Equity	598,840	5.08%	598,840	5.08%	-
Priya Bhansali	Equity	68,691	0.58%	68,691	0.58%	-
Gaurav Bhansali	Equity	577,305	4.90%	572,335	4.86%	0.87%
Ruchi Bhansali	Equity	72,689	0.62%	72,689	0.62%	-
Om Prakash Bhansali (HUF)	Equity	135,000	1.15%	135,000	1.15%	-

Promoter Name	Class of Shares	As at 31 March 2021		As at 1 April 2020		% Change during the year
		No. of Shares	%of total shares	No. of Shares	%of total shares	
Om Prakash Bhansali	Equity	4,417,011	37.50%	4,417,011	37.50%	-
Om Kumari Bhansali	Equity	1,091,221	9.26%	1,091,221	9.26%	-
Vimal Bhansali	Equity	598,840	5.08%	598,840	5.08%	-
Priya Bhansali	Equity	68,691	0.58%	68,691	0.58%	-
Gaurav Bhansali	Equity	572,335	4.86%	572,335	4.86%	-
Ruchi Bhansali	Equity	72,689	0.62%	72,689	0.62%	-
Om Prakash Bhansali (HUF)	Equity	135,000	1.15%	135,000	1.15%	-

NOTE 12
OTHER EQUITY
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Securities Premium	1,818.17	1,818.17
Retained Earnings	3,407.06	3,235.47
Other Comprehensive Income	18.84	18.84
Total Other Equity	5,244.07	5,072.49

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Securities Premium		
Opening Balance	1,818.17	1,818.17
Movements during the year	-	-
Less: Utilisation during the year	-	-
Total Securities Premium	1,818.17	1,818.17

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Retained Earnings		
Opening Balance	3235.48	3066.97
Add:		
Profit/(Loss) during the year	171.58	176.12
Appropriations	-	(7.61)
Total Retained Earnings	3407.06	3235.48

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Other Comprehensive Income		
Opening Balance	18.84	18.84
Current Year OCI	-	-
Total Other Comprehensive Income	18.84	18.84

The Company has not re-measured its long term employee benefits and the corresponding liabilities on the basis of report of an actuary. Therefore movement in OCI during the year is reported NIL.

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in full.

NOTE 13**BORROWINGS**

(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Non-Current Borrowings		
Secured		
Term Loan from Banks	366.65	375.74
Unsecured		
Loan from Directors	135.90	229.22
Total Non-Current Borrowings	502.55	604.96
Current Borrowings		
Secured		
Buyer's Credit for Raw Material	377.47	-
Cash Credit	1,724.29	1,348.42
	2,101.76	1,348.42
Current Maturities of Non-Current Borrowings		
Secured		
Term Loan from Banks	180.18	194.50
Unsecured		
Loan from Directors	50.00	52.48
Loan from Others	-	20.52
	230.18	267.50
Total current borrowings	2,331.94	1,615.92

Note: 1. There is no default in repayment of principal loan or interest thereon.

2. Cash Credits are secured by way of Hypothecation of Current Assets present and future including entire Stock, Raw Materials, Consumable Stores and Spares, Finished Goods and Book Debts.

a. Loan repayment schedule

Sr. No	Particulars	Total Outstanding*	Maturity period	Rate of Interest (p.a.)	Repayable in		
					12 months	2-4 years	5-7 years
1	PNB GECL T/L	305.80	2024-25	7.65%	122.33	183.47	-
2	PNB CEFC T/L	57.85	2022-23	8.10%	57.85	-	-
3	PNB GECL T/L 1.0 Extension	183.18	2026-27	7.65%	-	147.90	35.28
4	OP Bhansali	61.14	2023-24	7.00%	25.00	36.14	-
5	Vimal Bhansali	124.76	2026-27	7.00%	25.00	75.00	24.76
	TOTAL	732.73			230.18	442.51	60.04

*The amounts outstanding for various loans as on 31st March, 2022 are as per the terms of the agreement. The amount represents actual amount payable to banks on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind AS.

NOTE 14
OTHER FINANCIAL LIABILITIES
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Current		
Payables on Purchase of Fixed Assets	3.41	
Other Payables*	154.94	133.71
Total Current Financial Liabilities	158.35	133.71

* Other payables include Creditors for Expenses.

NOTE 15
PROVISIONS
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Non-Current		
Provision for gratuity*	20.50	19.23
Total Non-Current Provisions	20.50	19.23
Current		
Provision for gratuity	-	1.27
Provision for leave encashment	2.15	0.63
Total Current Provisions	2.15	1.9

*The Company has not re-measured its long term employee benefits and the corresponding liabilities on the basis of report of an actuary. Therefore provision for Gratuity remained the same.

NOTE 16
OTHER NON FINANCIAL LIABILITIES
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Current		
Statutory Liability	120.36	211.05
Advance from customers	16.68	41.76
Unclaimed Dividend #	1.51	1.51
Other non financial liabilities	24.97	42.05
Total Current Non-Financial Liabilities	163.52	296.37

These figures do not include any amount due and outstanding to be credited to Investor Education & Protection Fund.

NOTE 17
TRADE PAYABLES
(Rs. in Lacs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	48.37	196.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	1010.81	890.12
Total Trade Payables	1059.18	1086.12

a. Trade Payable ageing schedule:**As at 31st March 2022****(Rs. in Lacs)**

Particulars	Unbill ed	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	48.37	-	-	-	-	48.37
(ii) Others	-	726.75	284.06	-	-	-	1,010.81
TOTAL	-	775.12	284.06	-	-	-	1,059.18

As at 31st March 2021**(Rs. in Lacs)**

Particulars	Unbill ed	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME		193.76	0.49	1.75			196.00
(ii) Others		505.69	368.96	0.93	1.00	13.54	890.12
TOTAL	-	699.45	369.45	2.68	1.00	13.54	1,086.12

b. Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006**(Rs. in Lacs)**

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
1. The principal amount outstanding as at the end of accounting year.		
a) Trade payable	48.37	196.00
b) Capital creditors	-	-
2. Principal amount due and remaining unpaid as at the end of accounting year.	48.37	196.00
3. Interest paid by the company 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 accounting year.	-	-
4. Interest due and payable for the period of delay in making payment (which have 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.	-	0.64
5. Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

No interest has been paid by the Company to the enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006 according to the terms agreed with the enterprises.

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 18
REVENUE FROM OPERATIONS
(Rs. in Lacs)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Sale of Products	5,713.85	4679.27
Export Incentives	9.54	8.24
Total Revenue from Operations	5,723.39	4687.51
a. Sale of Products comprises of:		
(a) Manufactured Goods	5,709.19	4591.76
(b) Traded Goods	3.85	0.11
(c) Sale of Scrap	0.81	2.92
(d) Service Charges	-	84.48
	5,713.85	4679.27

NOTE 19
OTHER INCOME
(Rs. in Lacs)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Interest Income		
Interest on fixed deposits with banks	14.86	11.77
Other interest (including interest on income tax refunds)	1.09	2.58
Gain on exchange fluctuations	8.04	-
Other non-operating income#	9.03	1.00
Total Other Income	33.01	15.35

Other Non-Operating Income comprise income from MEIS license sold in open market.

NOTE 20
PRODUCTION EXPENDITURE
(Rs. in Lacs)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Power & Fuel	211.19	152.43
Consumable Stores	35.26	69.48
Repairs & Maintenance Expenses	31.88	36.82
Testing Charges	4.54	3.26
Factory Expenses	13.85	3.93
Freight Expenses	191.29	123.49
Packing Expenses	0.70	0.71
Water expense	2.66	3.07
Wages	41.04	38.85
	532.41	432.05

NOTE 21
COST OF MATERIAL CONSUMED
(Rs. in Lacs)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Opening Inventory	1,660.94	1885.60
Add: Purchases During The Year	5,014.45	2639.85
Less: Closing Inventory	2,268.40	1660.94
Total Cost of Material Consumed	4,406.99	2864.51

NOTE 22**CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE****(Rs. in Lacs)**

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Inventories (at closing)		
Finished Goods	921.90	865.97
Work-in-progress	1,196.72	982.21
(A)	2,118.62	1848.18
Inventories (at beginning)		
Finished Goods	865.97	1146.40
Work-in-progress	982.21	898.20
(B)	1848.18	2044.60
Total Change in Inventories of Finished Goods, Stock in Process and Stock in Trade-(A)+(B)	(270.44)	196.42

NOTE 23.**EMPLOYEE BENEFITS EXPENSE****(Rs. in Lacs)**

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Salaries & wages	255.38	254.58
Contribution to provident fund & others	10.70	9.56
Staff welfare expenses	2.18	0.65
Total Employee Benefit Expenses	268.25	264.79

NOTE 24**FINANCE COSTS****(Rs. in Lacs)**

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Interest Expense	229.29	255.60
Bank Charges	81.52	74.63
Total Finance Costs	310.81	330.23

NOTE 25**OTHER EXPENSES****(Rs. in Lacs)**

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Clearing & Forwarding Expenses	-	14.36
Repairs & Maintenance Expenses	2.97	3.82
Legal Expenses	2.43	2.02
Bad Debts Provision	11.58	3.68
Bad Debts	-	67.83
Printing & Stationary Expenses	0.89	-
Professional Fees	20.00	15.71
Selling & Distribution Expenses	37.43	16.29
Administrative Expenses	16.64	20.50
Auditors Remuneration	5.00	5.00
Insurance	12.73	11.73
Entry Tax Demand	-	9.48
Sales tax Demand	-	3.47
GST Demand	4.68	-

Interest on Statutory Dues	4.70	23.71
Loss on Exchange Fluctuations	9.58	1.87
Office Rent	1.10	3.14
Travelling Expenses	2.19	3.57
Other Expenses	15.30	71.05
Total Other Expenses	147.22	277.23

(Rs. in Lacs)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
a. Payment to Auditors as:		
Internal Audit Fees	1.00	1.00
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	1.00	1.00
Other Services	1.00	1.00
Total payment to Auditors	5.00	5.00

NOTE 26

EARNING PER SHARE (EPS)

PARTICULARS	For the Year Ended	
	March 31, 2022	March 31, 2021
Profit Attributable to Equity Holders for (Rs. in Lacs):		
Basic earnings	171.58	176.12
Adjusted for the effect of dilution	171.58	176.12
Weighted Average Number of Equity Shares for:		
Basic EPS	11779656	11779656
Adjusted for the effect of dilution	11779656	11779656
Earnings Per Equity Share (EPS) (Face Value of Rs.10/-)		
Basic (Rs.) (not annualised)	1.46	1.50
Diluted (Rs.) (not annualised)	1.46	1.50

27. FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS**A. Financial instruments by category and their fair value**

(Rs. in Lacs)

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments- Non-Current	-	-	0.23	0.23	-	0.23	-	0.23
Trade Receivables	-	-	-	-	-	-	-	0.00
- Non-current	-	-	321.99	321.99	-	321.99	-	321.99
- Current	-	-	2285.25	2285.25	-	2285.25	-	2285.25
Loans- Current	-	-	20.30	20.30	-	20.30	-	20.30
Cash and Cash Equivalents	-	-	11.78	11.78	-	11.78	-	11.78
Other Bank Balances	-	-	346.04	346.04	-	346.04	-	346.04
Other financial assets	-	-	-	-	-	-	-	-
- Non-current	-	-	30.65	30.65	-	30.65	-	30.65
- Current	-	-	120.74	120.74	-	120.74	-	120.74
Total financial assets	-	-	3136.98	3136.98	-	3136.98	-	3136.98
Financial liabilities								
Long-term borrowings (including current maturities of long-term borrowings)	-	-	732.73	732.73	-	732.73	-	732.73
Short-term borrowings	-	-	2101.76	2101.76	-	2101.76	-	2101.76
Trade Payables	-	-	1059.18	1059.18	-	1059.18	-	1059.18
Other financial liabilities	-	-	-	-	-	-	-	-
- Non-Current	-	-	0.00	0.00	-	0.00	-	0.00
- Current	-	-	158.35	158.35	-	158.35	-	158.35
Total financial liabilities	-	-	4052.02	4052.02	-	4052.02	-	4052.02

(Rs. in Lacs)

As at March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments- Non-Current	-	-	0.23	0.23	-	0.23	-	0.23
Trade Receivables	-	-	2957.59	2957.59	-	2957.59	-	2957.59
Loans- Current	-	-	4.66	4.66	-	4.66	-	4.66
Cash and Cash Equivalents	-	-	54.85	54.85	-	54.85	-	54.85
Other Bank Balances	-	-	238.67	238.67	-	238.67	-	238.67
Other financial assets	-	-	-	0.00	-	-	-	-
- Non-current	-	-	144.06	144.06	-	144.06	-	144.06
- Current	-	-	93.64	93.64	-	93.64	-	93.64
Total financial assets	-	-	3493.70	3493.70	-	3493.70	-	3493.70
Financial liabilities								
Long-term borrowings (including current maturities of long-term borrowings)	-	-	872.46	872.46	-	872.46	-	872.46
Short-term borrowings	-	-	1348.42	1348.42	-	1348.42	-	1348.42
Trade Payables	-	-	0.00	0.00	-	0.00	-	0.00
Other financial liabilities	-	-	0.00	0.00	-	-	-	-
- Non-Current	-	-	0.00	0.00	-	0.00	-	0.00
- Current	-	-	133.71	133.71	-	133.71	-	133.71
Total financial liabilities	-	-	3413.77	3413.77	-	3413.77	-	3413.77

Fair value hierarchy

Level I - Quoted prices in active markets for identical assets or liabilities such as quoted price for an equity security on Security Exchanges.

Level II - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level III - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

B. Financial risk management

The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Credit risk on cash and cash equivalents is limited as the Company makes investment in deposits with banks only.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 2627.54 Lacs as at March 31, 2022 and Rs. 3062.11 Lacs as at March 31, 2021, being the total of the carrying amount of trade receivables and loans & advances to employees..

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2022, that defaults in payment obligations will occur.

In addition, exposure to credit risk is also in relation to financial guarantee contracts for which the company has created a liability for potential exposures.

The ageing of trade receivables as of Balance Sheet date is given below. The age analysis has been considered from the due date.

Particulars	As at 31.03.2022	As at 31.03.2021
Not past due but impaired	-	-
Neither past due not impaired	1,603.16	2,043.20
Past due not impaired		
1-180 days	81.43	143.10
181-365 days	94.68	0.09
more than 365 days	388.90	614.88
Past due impaired		
1-180 days	-	-
181-365 days	-	-
more than 365 days	462.86	256.17
Total	2,631.03	3057.44

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

(ii) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and other bank balances. The Company has signed Rupee Loan Facility Agreement for variable rate borrowing facility amounting to Rs.1975.00 Lacs to meet the cash flow commitments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(Rs. in Lacs)

As at March 31, 2022	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 Months
Non-derivative financial liabilities				
Non-Current Borrowings	502.55	502.55	-	502.55
Other Non-Current Financial Liabilities	-	-	-	-
Current Borrowings	2331.94	2331.94	2,331.94	-
Current Trade Payables	1,059.18	1,059.18	1,059.18	-
Other Current Financial Liabilities	158.35	158.35	158.35	158.35
Total	4052.02	4052.02	3549.47	502.55

(Rs. in Lacs)

As at March 31, 2021	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 Months
Non-derivative financial liabilities				
Non current Borrowings	604.96	604.96	-	604.96
Other Non-Current Financial Liabilities	-	-	-	-
Current Borrowings	1615.92	1615.92	1615.92	-
Current Trade Payables	1,086.12	1,086.12	1,086.12	-
Other Current Financial Liabilities	133.71	133.71	133.71	-
Total	3440.71	3440.71	2835.75	604.96

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Interest rate risk includes risk that the future cash flows of floating interest bearing borrowings fluctuate because of fluctuation in the interest rates. The cash flows of the Company is sensitive to higher/lower interest expense from borrowing as a result of change in interest rates. A reasonable possible change of 50 basis points (bp) in interest rates at the reporting date would have impact by the amount shown in sensitivity analysis as below:

Particulars	50 bp Increase	50 bp decrease
March 31, 2022		
Non current - Borrowings	(57.37)	57.37
Current - Long term borrowings	-	-
Total	(57.37)	57.37
March 31, 2021		
Non current - Borrowings	(42.76)	42.76
Current - Long term borrowings	-	-
Total	(42.76)	42.76

The functional currency of the Company is Indian Rupees. The Company do not use derivative financial instruments for trading, speculative or other purposes.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, against the respective functional currencies of Somi Conveyor Beltings Limited.

The Company, as per its risk management policy, generally uses natural hedge towards set off of financial liabilities by available financial assets. For it, the company operates an account in foreign currency (US\$) and pool the respective realization amount and the same has been utilized towards financial liabilities as on date in order to reduce the exchange loss. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10%.

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the Statement of Profit and Loss. There is no exposure to the Statement of Profit and Loss on account of translation of financial statements of consolidated foreign entities.

The following table sets forth information relating to foreign currency exposure as at March 31, 2022:

(Rs. in Lacs)	
PARTICULARS	U.S. DOLLAR
Financial assets	87.37
Financial liabilities	425.11

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit/(loss) before tax by approximately Rs. 8.74 Lacs and Rs. 42.51 Lacs for financial assets and financial liabilities respectively for the year ended March 31, 2022.

The following table sets forth information relating to foreign currency exposure as at March 31, 2021:

(Rs. in Lacs)	
PARTICULARS	U.S. DOLLAR
Financial assets	134.53
Financial liabilities	126.92

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit/(loss) before tax by approximately Rs. 13.45 Lacs and Rs. 12.69 Lacs for financial assets and financial liabilities respectively for the year ended March 31, 2021.

(b) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at March 31, 2022 and 2021, financial liability of Rs. 2,834.49, Rs.2,220.88 Lacs respectively, was subject to variable interest rates.

Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase in case of profit/(loss) before tax of Rs. 28.34 Lacs and Rs. 22.20 Lacs on income for the year ended March 31, 2022 and 2021 respectively.

28. RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i)

S No.	Name of Related Party	Nature of Relationship
1	O.P.Bhansali	Key Managerial Personnel (KMP)
2	Vimal Bhansali	
3	Gaurav Bhansali	
4	Manish Bohra	
5	Amit Baxi	
6	Om Kumari Bhansali	Relative of Key Managerial Personnel (RKMP)
7	Priya Bhansali	
8	Ruchi Bhansali	
9	Madhu Mehta	
10	Anita Bohra	Related Parties where KMP/RKMP exercise significant influence
11	Oliver Micon Inc	
12	Oliver Rubber Ind. LLP.	
13	Earth Movers Enterprises	
14	Om Prakash Bhansali HUF	
15	Vimal Bhansali HUF	
16	Gaurav Bhansali HUF	

(ii) Transactions during the year with related parties :

The following table summarizes related party transactions and balances for the year ended/as at March 31, 2022

				(Rs. in Lacs)
S.No.	Nature of Transactions	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities in which KMP/RKMP have significant influence
1	Sale of Goods	-	-	274.36
2	Purchase	-	-	8.14
3	Remuneration	102.27	4.64	-
4	Loan Received	150.28	0.00	-
5	Loan Paid	18.18	20.00	-
6	Loan Given	259.50	-	-
7	Interest Paid	14.91	1.08	-
8	Rent	1.10	-	-
Balance as at March 31, 2022				
	Trade Receivable	-	-	100.35
	Managerial Remuneration	7.18	-	-
	Loans Taken	185.90	-	-
	Loans Given	18.18	-	-

The following table summarizes related party transactions and balances for the year ended/as at March 31, 2021

				(Rs. in Lacs)
S.No.		Key Managerial Personnel	Relative of Key Managerial Personnel	Entities in which KMP/RKMP have significant influence
	Nature of Transactions			
1	Sale of Goods	-	-	94.42
2	Purchase	-	-	8.98
3	Remuneration	101.61	4.65	-
4	Loan received	0.00	0.00	-
5	Loan Paid	65.00	46.50	-
6	Interest Paid	17.97	4.08	-
7	Rent	1.10	2.04	-
	Balance as at March 31, 2021			
	Trade Receivable	-	-	64.85
	Managerial Remuneration	7.76	-	-
	Loans	281.70	20.52	-

*Note: The Company has received money by way of loan amounting to Rs. 150.28 and Rs. NIL lacs from its directors during the financial year 2021-22 and 2020-21 respectively.

29. The Company has identified Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006.

S.NO.	PARTICULARS	AS ON	
		31.03.2022	31.03.2021
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	48.37	173.32
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	22.67
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	NIL	NIL
7	Further interest remaining due and payable for earlier years	NIL	0.64

29.1 There are no MSME creditors payable for 45 days and above, hence no provision for interest is required as per the provision of the Micro, Small and Medium Enterprises, 2006.

30. SEGMENT INFORMATION

The Company is mainly engaged in manufacturing activities in India. All the activities of the Company resolved around this main business. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the results of the business as a once, hence no separate segment needs to be disclosed.

31. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The following summarizes the capital of the Company:

Particulars	(Rs. in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Equity*	6,422.04	6,250.46
Short term borrowings and current maturities of long-term borrowings	2,331.94	1,615.92
Long term borrowings	502.55	604.96
Total borrowings	2,834.49	2,220.88
Total capital (Debt+Equity)	9,256.53	8,471.35

32. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the Company faces claims and assertions by various parties. The company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

LITIGATIONS

The company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the company does not believe to be of material nature, other than those described below.

A. Income Tax

(i) Company has deposited an amount of Rs. 19,50,000.00 as 20% of demand raised u/s 143(3) towards assesment of AY 2015-16 as per CBDT Circular and file an appeal to CIT (A) which is pending with same jurisdiction.

B. Others

(i) M/s Nawa Engineers & Consultants Pvt Ltd is client of Somi Conveyor Beltings Ltd. who had issued cheque in favour of Somi Conveyor Beltings Limited on 16.10.2014 of Rs 200000.00 which was dishonoured and Company has sued under section 138 of Negotiable Instruments Act in the Court of the Hon'ble XVII ADDL Chief Metropolitan Magistrate at Hyderabad.

(ii) An Ex Employee has filed a case before National Company Law Tribunal (NCLT)- Jaipur, as reported by the Management of the Company. However the complete case details not provided by Court/ Petitioner and so the company applied before the NCLT for copy of Petition filed by Employee, and the same is awaited and pending to be received by the company.

CONTINGENT LIABILITIES

PARTICULARS	(Rs. in Lacs)	
	As at March 31, 2022	As at March 31, 2021
(i) Guarantees		
Performance Guarantees	872.19	768.53
Financial Guarantee	385.72	141.01
(ii) Letter of credit	1304.25	1246.24
TOTAL	2562.16	2155.78

33. As at the balance sheet date, the Company has reviewed the carrying amount of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

Note 34
Financial Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.99	2.27	-12%	
Debt-equity ratio (in times)	Current & Non-Current Borrowing	Shareholder's Equity	0.44	0.36	24%	
Debt service coverage ratio (in times)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Interest + Principal Repayments	1.85	2.55	-28%	Repayment schedule not being start towards Term Loans (GECL and CECF) disbursed during FY 2020-21.
Return on equity ratio (in %)	Net profits after taxes	Average Shareholder's Equity	2.71%	2.86%	-5%	
Inventory turnover ratio (in times)	Cost of Traded Goods + Changes in Inventories + Production Expenditure	Average Inventory	1.18	0.93	26%	To cater healthy orders company has procure bulk Raw Material in the month of March resulting which Inventory level increased by 24% in compare to previous year which has also effected Inventory Turnover Ratio
Trade receivables turnover ratio (in times)	Revenue from operations	Avg. Accounts Receivables	2.03	1.99	2%	
Trade payables turnover ratio (in times)	Cost of Traded Goods + Production Expenditure	Avg. Trade Payables	4.61	4.11	12%	
Net capital turnover ratio (in times)	Revenue from Operations	Working Capital	1.54	1.17	31%	Net Profit Turnover ratio improved and increased by 31% in compare to preceding FY.
Net profit ratio (in %)	Profit After Tax	Total Revenue from Operations	3.00%	3.76%	-20%	
Return on capital employed (in %)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	6.65%	7.75%	-14%	

35. Sundry Debtors, Creditors, Loans and Advances balances as shown in the balance sheet are subject to confirmation from the parties concerned and consequential adjustments, if any.

36. Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Basis the information available with the Company as on the reporting date and as on the date on which financial statements are approved and authorised for issue, the Company does not have any transactions with the companies struck off. Further, the Company has not been declared as a wilful defaulter by any Bank / Financial Institution / any other lender.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) 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 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).

(v) 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.

(vi) The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) All immovable properties shown in the Balance Sheet are held in the name of the company. Further, in case of joint operations, the immovable properties are held in the name of the operator.

(viii) For the working capital borrowings from the Banks (either sanction & utilized or unutilized), the quarterly returns / statements of working capital filed by the Company with the Banks reflect no material difference with the books of the accounts. Further, in case of specific borrowings, the funds are utilised for the purpose for which the same are borrowed.

(ix) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received President assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

(x) The Company does not undertake any transactions with respect to crypto currency / assets.

(xi) CSR is not applicable to Company.

37. Previous year figures have been re-grouped, re-arranged and re-casted wherever it is considered necessary to make them comparable with those of current year.