



**Date:11.06.2022**

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Limited  
'Exchange Plaza', C- Block –G  
Bandrakurla Complex, Bandra (East)  
Mumbai – 400051

**SYMBOL: SONAMCLOCK**

**SUB:21<sup>ST</sup> ANNUAL REPORT OF SONAM CLOCK LIMITED**

Dear Sir/ Madam,

Please find attached herewith a revised copy of 21<sup>st</sup> Annual report of the company in compliance of regulation 34 (1) of SEBI (LODR), 2015.

Please take the same on record.

Yours Sincerely,  
For, SONAM CLOCK LIMITED

Amitbhai J. Vaghajiyani  
CFO



**Sonam Clock Limited**

CIN : L33302GJ2001PLC039689

**Registered Office** : Survey No.337/P Morbi Rajkot Highway, At Lajai, Tal. Tankara, Dist. Morbi, Gujarat - 363641.

Phone : + 91 2822 285017, 9978052717 Fax : + 91 2822 285987. email : info@sonamquartz.com, url : www.sonamquartz.com



**SONAM CLOCK LIMITED**

**21<sup>ST</sup> ANNUAL REPORT**

**2021-22**

**SONAM CLOCK LIMITED**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Jayeshbhai Chhabildas Shah  
Mrs. Deepaben Jayeshbhai Shah  
Mr. Shreyansh Vijaybhai Vora  
Mr. Jigar Dipakbhai Mehta  
Mr. Harshil Jayeshbhai Shah  
Mr. Suresh Somnath Dave

**CHIEF FINANCIAL OFFICER**

Mr. Amitbhai Jamnadas Vaghajiyani

**COMPANY SECRETARY  
AND COMPLIANCE OFFICER**

Mr. Milankumar Sureshbhai Ganatra

**STATUTORY AUDITORS**

M/s. SVK & Associates,  
Chartered Accountants  
FRN: 118564W

**INTERNAL AUDITOR**

M/s. D. V. Bakrania & Associates  
Chartered Accountants  
FRN: 127116W

**SECRETARIAL AUDITOR**

M/s. H. S. Mehta & Associates  
Practicing Company Secretaries,  
M. NO:3973  
CP. No. 2471

**REGISTERED OFFICE**

Survey No. 337/p, Morbi Rajkot Highway,  
Lajai, Tal. Tankara, Dist. Morbi-363641

**CORPORATE IDENTITY NUMBER**

L33302GJ2001PLC039689

**Website**

[www.sonamquartz.com](http://www.sonamquartz.com)

**BANKERS**

Bank of India

**REGISTRAR AND SHARE TRANSFER  
AGENT**

BIG SHARE SERVICES PRIVATE LIMITED  
Office No. S6-2, 6th floor Pinnacle Business  
Park, Next to Ahura Centre, Mahakali Caves  
Road, Andheri (East) Mumbai -  
400093(Maharashtra) India  
Email Id:[ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
Investor Grievance Email:  
[investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**CONTENT OF ANNUAL REPORT 2021-22**

<b>Sr. No.</b>	<b>PARTICULARS</b>
1.	Notice to Members
2.	Directors' Report
3.	Annexure to the Directors' Report
4.	Independent Auditors' Report
5.	Balance Sheet
6.	Statement of Profit & Loss
7.	Statement of Cash flow Statement
8.	Notes forming part of the Financial Statements

## **SONAM CLOCK LIMITED**

Registered Office: Survey No. 337/p, Morbi Rajkot Highway,

Lajai, Tal. Tankara, Dist. Morbi-363641

Email Id: [info@sonamquartz.com](mailto:info@sonamquartz.com)

CIN: L33302GJ2001PLC039689

Website: [www.sonamquartz.com](http://www.sonamquartz.com)

Contact No: +91 2822285017, Fax: +91 2822285987

### **NOTICE TO MEMBERS**

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of SONAM CLOCK LIMITED will be held on Wednesday, 6<sup>th</sup> July, 2022 at 04:00 P.M. IST through video conferencing ("VC") /Other Audio Visual Means ("OAVM") to transact the following businesses:

#### **ORDINARY BUSINESS:**

##### **ITEM NO. 1 ADOPTION OF FINANCIAL STATEMENTS:**

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

To receive, consider and adopt the Audited Financial Statement for the financial year ended on March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon.

**"RESOLVED THAT** the Board's Report with Annexure, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2022 and the Financial Statement as at that date together with the Independent Auditors' Report thereon be and are hereby considered, approved and adopted."

##### **ITEM NO. 2 TO APPOINT MRS. DEEPABEN JAYESHBHAI SHAH (DIN: 01981533) AS A DIRECTOR OF THE COMPANY BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT:**

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

**"RESOLVED THAT** pursuant to Section 152 of the Companies Act 2013 and other applicable provisions, Mrs. Deepaben Jayeshbhai Shah (DIN: 01981533) who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

#### **SPECIAL BUSINESS:**

##### **ITEM NO: 3: INCREASE OF AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION:**

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 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 11,00,00,000 (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of Rs. 10/- each (Rupees Ten Only) to Rs. 21,00,00,000 (Rupees Twenty-One Crore only) divided into 2,10,00,000 (Two Crore Ten Lakhs) Equity Shares of Rs. 10/- each (Rupees Ten Only) by increase of 1,00,00,000 (One Crore) equity shares ranking Pari Passu in all respect with the existing shares of the Company and consequently the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital, be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V:

‘V. The Authorised Share Capital of the Company is Rs. 21,00,00,000 (Rupees Twenty-One Crore only) divided into 2,10,00,000 (Two Crore Ten Lakhs) Equity Shares of Rs. 10/- each (Rupees Ten Only)’

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to take all such steps as it may deem necessary, proper or expedient to give effect to this resolution.”

**ITEM NO. 4 TO ISSUE BONUS EQUITY SHARES BY WAY OF CAPITALIZATION OF RESERVES:**

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

**“RESOLVED THAT** in accordance with section 63 and other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, the relevant provisions of the memorandum and Articles of Association of the company and recommendation of the Board of Directors (hereinafter referred to as ‘The Board’), which expression shall be deemed to include a committee of directors duly authorized in this behalf of the company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) and applicable Regulatory Authorities and such permissions, sanctions and approvals as may be required in this regard, the consent of the Members of the Company be and is hereby accorded to the Board for capitalization of such sum standing to the credit of securities premium/ free reserves of the Company as may be considered necessary by the Board, for the purpose of issuance of bonus shares of Rs. 10/- (Ten) each, credited as fully paid up shares to the holders of existing Equity shares of the Company whose name appear in the Register of members maintained by the Company’s Registrar and transfer Agents/list of beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central depository Services (India) Limited (CDSL) on such date (‘record date’) as may be fixed in this regard by the Board in proportion of 1 (One) equity share for every 1 (One) existing equity shares held by the members.”

**“RESOLVED FURTHER THAT**, the Bonus Shares so allotted shall rank pari passu in all respect with the fully paid-up equity shares of the Company as existing on ‘record date’ (as determined by the Board) and shall always be subject to the terms and conditions contained in Memorandum and Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** no letter of allotment shall be issued in respect of the Bonus Shares and in case of Members who hold shares in dematerialized form, the bonus shares shall be credited to the respective beneficiary accounts of members with their respective depository participant.”

**“RESOLVED FURTHER THAT** the issue and allotment of the Bonus Shares to Non-Resident members, Foreign Institutional investor (FIIS) & other foreign investors be subject to the approval of RBI as may be necessary.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

#### **ITEM NO. 5 TO RE-APPOINT MR. JAYESH CHHABILDAS SHAH AS MANAGING DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Jayesh Chhabildas Shah (DIN: 00500814) as Managing Director of the Company for a period of five years with effect from 29<sup>th</sup> January, 2023 on the remuneration and other terms and conditions, details of which are given in Explanatory Statement annexed hereto;

**“RESOLVED FURTHER THAT** subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mr. Jayesh Chhabildas Shah (DIN: 00500814) Managing Director, be paid remuneration as remuneration terms recommended by the Nomination and Remuneration Committee of the Board detailed in agreement to be entered into with him and also mentioned below:

#### **I. REMUNERATION**

Salary (inclusive of all perquisites) Rs. 11,00,000 (Rupees Eleven Lakhs only) per month.

#### **II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:**

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

**“RESOLVED FURTHER THAT** the remuneration including all benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. Jayesh Chhabildas Shah (DIN: 00500814) as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

**“RESOLVED FURTHER THAT** any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

**ITEM NO. 6 TO RE-APPOINT MRS. DEEPABEN JAYESHBHAI SHAH AS WHOLETIME DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mrs. Deepaben Jayeshbhai shah (DIN: 01981533) as Wholetime Director of the Company for a period of five years with effect from 29<sup>th</sup> January, 2023 on the remuneration and other terms and conditions, details of which are given in Explanatory Statement annexed hereto;

**“RESOLVED FURTHER THAT** subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mrs. Deepaben Jayeshbhai shah (DIN: 01981533) Wholetime Director, be paid remuneration as remuneration terms recommended by the Nomination and Remuneration Committee of the Board detailed in agreement to be entered into with her and also mentioned below:

**I. REMUNERATION**

Salary (inclusive of all perquisites) Rs. 7,00,000 (Rupees Seven Lakhs only) per month.

**II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:**

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

**“RESOLVED FURTHER THAT** the remuneration including all benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mrs. Deepaben Jayeshbhai shah (DIN: 01981533) as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

**“RESOLVED FURTHER THAT** any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

**ITEM NO: 7 APPROVAL OF REMUNERATION PAID TO MR. HARSHIL JAYESHBHAI SHAH:**

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

**“RESOLVED THAT** pursuant to Sections 2(78), 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and rules made there under and pursuant Regulation 17 (ca) of SEBI (LODR) Regulations,2015 and subject to the provisions of Articles of Association of the Company, consent of members of the Company, be and is hereby accorded to approve remuneration of Mr. Harshil Jayeshbhai Shah (DIN: 07230243) maximum Rs. 10,00,000 (Rupees Ten Lakhs only) per month which includes all perquisites, however director can draw lower remuneration than maximum looking to adequacy of profit and fund if any required for expansion of the business operations and to alter and vary the terms and conditions in such manner as may be agreed be and between the Board and Mr. Harshil Jayeshbhai Shah (DIN: 07230243), subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.”

**“RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits of the company in any financial year, the aforesaid remuneration shall be paid as minimum remuneration to Mr. Harshil Jayeshbhai Shah (DIN: 07230243).”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to alter and vary the aforesaid terms as to remuneration within the ceiling limits as mentioned aforesaid.”

**“RESOLVED FURTHER THAT** subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mr. Harshil Jayeshbhai Shah (DIN: 07230243), Director, be paid remuneration as remuneration terms recommended by the Board and also mentioned below:

## **I. REMUNERATION:**

Rs. 10,00,000 (Rupees Ten Lakhs only) per month subject to revision from time to time.

## **II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:**

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

**“RESOLVED FURTHER THAT** the remuneration including all benefits, amenities and perquisites shall nevertheless be paid and allowed to Mr. Harshil Jayeshbhai Shah (DIN: 07230243), as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such Acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution and to file necessary E Forms with Registrar of Companies.”

## **ITEM NO: 8 RE-APPOINTMENT OF MR. SHREYANSH VIJAYBHAI VORA AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Shreyansh Vijaybhai Vora (DIN : 08034487), who holds office of Independent Director up to 29<sup>th</sup> December,2022 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, from a Member, signifying his intention to propose Mr. Shreyansh Vijaybhai Vora candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 30<sup>th</sup> December,2022 to 29<sup>th</sup> December,2027.”

**“RESOLVED FURTHER THAT** the Board of Directors of the company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**TEM NO: 9 RE-APPOINTMENT OF MR. JIGAR DIPAKBHAI MEHTA AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Jigar Dipakbhai Mehta (DIN : 08051320), who holds office of Independent Director up to 25<sup>th</sup> February,2023 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, from a Member, signifying his intention to propose Mr. Jigar Dipakbhai Mehta candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 26<sup>th</sup> February,2023 to 25<sup>th</sup> February,2028.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**ITEM NO:10 TO APPROVE EXISTING AS WELL AS NEW MATERIAL RELATED PARTY TRANSACTIONS:**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“SEBI Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of ‘Related Party’ under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations (“Related Party Transactions”) on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY) from FY 2022-23 to FY 2023-24 i.e. two financial years, such that the maximum value of the Related Party

Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis.'

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

**Registered Office:**  
Survey No. 337/p, Morbi Rajkot Highway,  
Lajai, Tal. Tankara, Dist. Morbi -363641

By Order of the Board of Directors,  
SONAM CLOCK LIMITED

Sd/-  
Milankumar S. Ganatra  
Company Secretary

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 03/2022 dated May 05, 2022, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 21<sup>st</sup> AGM of the Company is being held through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM . For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, January 15, 2021, May 13, 2022 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Notice of the AGM along with the Annual Report 2021-22 can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) or Website of company [www.sonamquartz.com](http://www.sonamquartz.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 and Circular No. 03/2022 dated May 05, 2022.

8. The relevant details pursuant to regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed with the notice.
9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [csdharapatel@gmail.com](mailto:csdharapatel@gmail.com)(Scrutinizer), [cs@sonamquartz.com](mailto:cs@sonamquartz.com) (Company) and with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held by them in electronic form.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.sonamquartz.com](http://www.sonamquartz.com). Members are requested to submit the said details to their Depository Participant in case the shares are held by them in electronic form.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
14. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form.
16. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Thursday, 30<sup>th</sup> June, 2022 to Wednesday, 6<sup>th</sup> July, 2022 (both days inclusive) in connection with the Annual General Meeting.

17. The Company or its Registrars and Transfer Agents, BIGSHARE SERVICES PRIVATE LIMITED cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.
19. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
20. Non-Resident Members: Non Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
  - a. Change in their residential status on return to India for permanent settlement
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier
21. The Company has fixed Wednesday, 29<sup>th</sup> June,2022 as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote in the Meeting.
22. Ms. Dhara Patel, Company Secretary in Practice (M. No: 29198, COP No.:10979) has been appointed as a Scrutinizer to scrutinize the voting and process for the Annual General Meeting in a fair and transparent manner.
23. The Explanatory Statement, pursuant to section 102 of the companies Act, 2013 setting out facts concerning the business under Item no. 3, 4, 5, 6 ,7, 8, 9 and 10 attached with the notice.
24. All documents referred to in the notice and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11:00 a.m. and 4:00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**26. The Instructions for members for remote E-Voting are As under:-**

The remote e-voting period begins on Sunday, 3<sup>rd</sup> July, 2022 at 09:00 A.M. and ends on Tuesday, 5<sup>th</sup> July, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 29<sup>th</sup> June, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 29<sup>th</sup> June, 2022.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for <b>NSDL IDeAS facility</b> , please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nSDL.com/">https://eservices.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ <b>Beneficial Owner</b> ” icon under “Login” which is available under “ <b>IDeAS</b> ” 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 options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<ol style="list-style-type: none"> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 held 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 options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.  <b>NSDL Mobile App is available on</b>   App Store       Google Play        </li> </ol>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to</li> </ol>

	<p>cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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. NSDL and CDSL.**

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you

retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csdharapatel@gmail.com](mailto:csdharapatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([cs@sonmaquartz.com](mailto:cs@sonmaquartz.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
2. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@sonamquartz.com). The same will be replied by the company suitably.

**ANNEXURE TO THE NOTICE  
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE  
21<sup>ST</sup> ANNUAL GENERAL MEETING  
[PURSUANT TO REGULATION 36(3) OF THE SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

Name of Director	Deepaben Jayeshbhai Shah	Jayesh Chhabildas Shah
DIN	01981533	00500814
Date of Birth	20.02.1969	07.03.1967
Age	53 year	55 year
Date of Appointment	21.06.2001	21.06.2001
Date of Appointment at the current designation	29.01.2018	29.01.2018
Expertise in specific Functional Areas	Having 21 years' experience in the field of finance etc.	Having 35 years' experience in the field of clock industry.
Qualifications	Post Graduate	Matriculation
Directors in other Public Companies	SKSE Securities Limited	SKSE Securities Limited
Other Positions	NIL	NIL
Chairmanship / Membership of Committee (s) of Board of Director of the Company.	Member in Stakeholder Relationship Committee	Member in Audit Committee
Membership of Committees in other unlisted Public Companies	--	--
Number of Board meeting attended during the year 2021-22	14	14
Inter Relationship	Relative (wife) of Jayeshbhai C. Shah and (Mother) of Harshil Jayeshbhai Shah	Relative (Husband) of Deepaben Jayeshbhai Shah and (Father) of Harshil Jayeshbhai Shah
Last Remuneration drawn	Rs. 75,60,000	Rs. 75,60,000
Shares held in the Company as at 31 <sup>st</sup> March, 2022	4,80,000	64,07,200

Name of Director	Shreyansh Vijaybhai Vora	Jigar Dipakbhai Mehta
DIN	08034487	08051320
Date of Birth	07.06.1988	23.05.1992
Age	34 year	30 year
Date of Appointment	30.12.2017	26.02.2018
Date of Appointment at the current designation	30.12.2017	26.02.2018
Expertise in specific Functional Areas	Experience In field of accounts & finance etc.	Experience in field of accounts & finance etc.
Qualifications	Chartered Accountant	Chartered Accountant
Directors in other Public Companies	--	--
Other Positions	NIL	NIL
Chairmanship / Membership of Committee (s) of Board of Director of the Company.	Member & Chairman in Audit committee, Stakeholder Relationship Committee, Nomination and remuneration committee, Corporate Social responsibility committee.	Member in Audit committee, Stakeholder Relationship Committee, Nomination and remuneration committee, Corporate Social responsibility committee.
Membership of Committees in other unlisted Public Companies	NIL	NIL
Number of Board meeting attended during the year 2021-22	8	8
Inter Relationship	Not related to any persons	Not related to any persons
Last Remuneration drawn	--	--
Shares held in the Company as at 31 <sup>st</sup> March, 2022	--	--

**EXPLANATORY STATEMENT (PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013)**

The following statement sets out all material facts relating and the special businesses mentioned in the accompanying Notice:

**ITEM NO: 3**

**TO INCREASE AUTHORISED SHARE CAPITAL OF THE COMPANY:**

At present the Authorised Share Capital of the company is Rs. 11,00,00,000 (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore Ten Lakhs) equity shares of Rs. 10/- each out of which paid up share capital of the company is Rs. 10,00,80,000 (Ten Crore Eighty Thousand only) divided into 1,00,08,000 (One Crore Eight Thousand) equity shares of Rs. 10/- each.

The Board of directors of the Company in its meeting held on 26<sup>th</sup> May, 2022 have recommended to increase Authorised share capital of the company from Rs. 11,00,00,000 to Rs. 21,00,00,000 by increase of additional 1,00,00,000 (One Crore) equity shares of Rs. 10/- each.

As per the provisions of section 13 & 61 of the Companies Act, 2013 approval of the shareholders is required to be accorded for alteration of memorandum of association and for increasing the Authorised Share Capital of the company by way of passing resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 3 for the approval of the members by way of passing of resolution.

None of the directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

**ITEM NO: 4**

**TO ISSUE BONUS EQUITY SHARES BY WAY OF CAPITALIZATION OF RESERVES:**

The Equity shares of the company are listed on the NSE main board as company migrated from NSE SME to main board on 7<sup>th</sup> April, 2022. The members are aware that the operations and performance of the company has grown significantly over the past years which has generated considerable interest in the Company's equity shares in the Market in order to improve the liquidity of the Company's shares in the stock market, the Board of Director of the company at their meeting held on 26<sup>th</sup> May, 2022 considered it desirable to recommend issue of Bonus Shares in the ratio of 1:1 (One equity shares Bonus for every One existing shares) subject to approval of shareholders and such other authorities as may be necessary. The issue of Bonus shares by capitalization of reserves is authorized by the existing Articles of Association of the Company.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 4 for the approval of the members by way of passing of resolution.

None of the directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

**ITEM NO: 5**

**TO RE-APPOINT MR. JAYESH CHHABILDAS SHAH AS MANAGING DIRECTOR:**

Mr. Jayesh Chhabildas Shah is chairman and Managing director of the Company and is having over 35 years of experience in the field of Clock industries.

His term of office was to expire on 28<sup>th</sup> January, 2023. Looking into his knowledge of various aspects relating to the Company's affairs and business experience and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 9<sup>th</sup> June, 2022 was of the opinion that for smooth and efficient running of the business, the services of Mr. Jayesh Chhabildas Shah should be continued to be available to the Company and reappointed him as Managing Director of the Company for a further period of five years with effect from 29<sup>th</sup> January, 2023 to 28<sup>th</sup> January, 2028 on following remuneration and other terms and conditions subject to the approval of the Members of the Company.

The details of remuneration payable to Mr. Jayesh Chhabildas Shah and the terms and conditions of the appointment are given below:

**Period:**

For a period of 5 years from 29.01.2023.

**Remuneration:**

Rs. 11,00,000 (Rupees Eleven Lakhs only) per month subject to revision from time to time.

**Perquisites:**

The Managing Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

**Medical Re-imburement:**

Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, and nursing charges and domiciliary charges for self and for family.

**Leave Travel Concession:**

For self and family every year incurred in accordance with the rules of the Company.

**Club Fees:**

Fees of clubs, subject to a maximum of three clubs.

**Personal Accident Insurance/Group Life Insurance:**

Premium to be paid by company.

**Provident Fund/Pension:**

Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.

**Gratuity:**

Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.

**Use of Car with Driver:**

The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Managing Director for business and personal use.

**Telephone facility at residence:**

Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.

**Duties:**

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial power of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Lajai, Morbi or at such place as the Board of Directors may decide from time to time.

**TERMINATION:**

Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Managing may resign from his office by giving 90 days' Notice to the Company.

**COMPENSATION:**

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

**Other terms and conditions:**

- a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b) "Family" means the spouse and dependent children of Mr. Jayeshbhai Chhabildas Shah Leave with full pay and allowances shall be allowed as per the Company's rules.
- c) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

- d) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- e) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

**STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. GENERAL INFORMATION**

1.	Nature of Industry	Wall Clock Industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Total Income	8793.25	7972.11
		Profit Before Tax, Financial Cost and Depreciation	875.35	784.62
		Depreciation	228.20	156.32
		Finance Cost	228.44	195.84
		Profit Before Tax	418.72	429.97
		Tax	79.03	86.24
		Profit After Tax	339.68	343.73
		Equity Capital 1,00,08,000 Equity Share Capital of Rs. 10	1000.8	1000.8
		Earnings per share (Rs.)	3.39	3.43
5.	Export performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Foreign Exchange Earning	2016.86	1544.95
		Foreign Exchange Outgo	3661.04	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

## **II. INFORMATION ABOUT THE APPOINTEE:**

### **1. Background Details:**

Mr. Jayeshbhai Chhabildas Shah has completed Matriculation education. He has invested his efforts, dedication, Knowledge, and experience in the clock industry. He is one of the member promoter group of the company. He has 35 years' experience in the clock industry. He is a visionary entrepreneur who is well versed with industry.

### **2. Recognition or awards:**

Mr. Jayeshbhai Chhabildas Shah is well recognized for his visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

### **3. Job Profile and his suitability:**

In the capacity of Director of the Company Mr. Jayeshbhai Chhabildas Shah shall be responsible for handling production department and providing overall handling of affairs of the Company's as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

### **4. Remuneration proposal:**

Remuneration upto Rs. 11,00,000/- (Rupees Eleven lakhs only) per month inclusive of all perks and facilities.

### **5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.**

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

### **6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Mr. Jayeshbhai Chhabildas Shah along with his relatives holding more than 70% of the equity shares capital of the company. Accordingly, he may be deemed having pecuniary relation, directly and indirectly, with the company.

## **III. OTHER INFORMATION:**

### **1. Reasons of Loss or Inadequate Profits:**

Company is primarily engaged in clock industry for dealing in securities wherein margins remain stretched.

### **2. Step taken or proposed to be taken for improvement:**

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

### **3. Expected increase in productivity and profit in measurable terms:**

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

Mr. Jayesh Chhabildas Shah and his relatives Mrs. Deepaben Jayeshbhai Shah, Mr. Harshil Jayeshbhai Shah and Ms. Rutvi Jayeshbhai Shah are financially or otherwise, concerned or interested in the resolution being related party. The Directors recommend the aforesaid resolution for approval by the members as special resolution.

**ITEM NO: 6:**

**TO RE-APPOINT MRS. DEEPABEN JAYESHBHAI SHAH AS WHOLE TIME DIRECTOR:**

Mrs. Deepaben Jayeshbhai Shah is Whole-time director of the Company and is having over 21 years of experience in the field of Clock industries.

Her term of office was to expire on 28<sup>th</sup> January, 2023. Looking into her knowledge of various aspects relating to the Company's affairs and business experience and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 9<sup>th</sup> June, 2022 was of the opinion that for smooth and efficient running of the business, the services of Mrs. Deepaben Jayeshbhai Shah should be continued to be available to the Company and reappointed her as Whole-time Director of the Company for a further period of five years with effect from 29<sup>th</sup> January, 2023 to 28<sup>th</sup> January, 2028 on following remuneration and other terms and conditions subject to the approval of the Members of the Company.

The details of remuneration payable to Mrs. Deepaben Jayeshbhai Shah and the terms and conditions of the appointment are given below:

**Period:**

For a period of 5 years from 29.01.2023.

**Remuneration:**

Rs. 7,00,000 (Rupees Seven Lakhs only) per month subject to revision from time to time.

**Perquisites:**

The Whole-time Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

**Medical Re-imbusement:**

Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.

**Leave Travel Concession:**

For self and family every year incurred in accordance with the rules of the Company.

**Club Fees:**

Fees of clubs, subject to a maximum of three clubs.

**Personal Accident Insurance/Group Life Insurance:**

Premium not to exceed Rs. 2,00,000/- per annum.

**Provident Fund/Pension:**

Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.

**Gratuity:**

Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.

**Use of Car with Driver:**

The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Whole-time Director for business and personal use.

**Telephone facility at residence:**

Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Whole-time Director.

**Duties:**

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Whole-time Director shall be entrusted with HRD, Procurements and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.

**Termination:**

Whole-time Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Whole-time Director may resign from his office by giving 90 days' Notice to the Company.

**Compensation:**

In the event of termination of office of Whole-time Director takes place before the expiration of tenure thereof, Whole-time Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

**Other terms and conditions:**

- a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b) "Family" means the spouse and dependent children of Mrs. Deepaben Jayeshbhai Shah Leave with full pay and allowances shall be allowed as per the Company's rules.
- c) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- d) No sitting fees shall be paid to the Whole-time Director for attending the meetings of the Board of Directors or Committees thereof.
- e) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

**STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. GENERAL INFORMATION**

1.	Nature of Industry	Wall Clock Industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Total Income	8793.25	7972.11
		Profit Before Tax, Financial Cost and Depreciation	875.35	784.62
		Depreciation	228.20	156.32
		Finance Cost	228.44	195.84
		Profit Before Tax	418.72	429.97
		Tax	79.03	86.24
		Profit After Tax	339.68	343.73
		Equity Capital 1,00,08,000 Equity Share Capital of Rs. 10	1000.8	1000.8
		Earnings per share (Rs.)	3.39	3.43
5.	Export performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Foreign Exchange Earning	2016.86	1544.95
		Foreign Exchange Outgo	3661.04	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

**1. Background Details:**

Mr. Deepaben J. Shah has completed her Master of Commerce. she has invested her efforts, dedication, Knowledge, and experience in the clock industry. She is one of the promoter of the company. she has 21 years' experience in the clock industry. she is a visionary entrepreneur who is well versed with industry.

**2. Recognition or awards:**

Mrs. Deepaben J. Shah is well recognized for her visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

**3. Job Profile and his suitability:**

In the capacity of Director of the Company Mrs. Deepaben J. Shah shall be responsible for handling production department and providing overall handling of affairs of the Company's as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**4. Remuneration proposal:**

Remuneration upto Rs. 7,00,000/- (Rupees Seven lakhs only) per month inclusive of all perks and facilities.

**5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.**

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

**6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Mrs. Deepaben J. Shah along with her relatives holding more than 70% of the equity shares capital of the company. Accordingly, she may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION:**

**1. Reasons of Loss or Inadequate Profits:**

Company is primarily engaged in clock industry for dealing in securities wherein margins remain stretched.

**2. Step taken or proposed to be taken for improvement:**

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

**3. Expected increase in productivity and profit in measurable terms:**

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

Mrs. Deepaben Jayeshbhai Shah and her relatives Mr. Jayesh Chhabildas Shah, Mr. Harshil Jayeshbhai Shah and Ms. Rutvi Jayeshbhai Shah are financially or otherwise, concerned or interested in the resolution being related party. The Directors recommend the aforesaid resolution for approval by the members as Special resolution.

**ITEM NO: 7:****APPROVAL OF REMUNERATION PAID TO MR. HARSHIL JAYESHBHAI SHAH:**

Mr. Harshil Jayeshbhai Shah was appointed as Non-executive director w. e. f. 30th June,2020. Keeping in view that Mr. Harshil Jayeshbhai Shah having more than 4 years' experience in the field of Production and Design of various wall clocks and members already approved remuneration upto Rs. 10,00,000 (Rupees Ten Lakhs Only) per months of Mr. Harshil Jayeshbhai Shah in the AGM. As per Regulation 17(ca) of SEBI (LODR) Regulations,2015 the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors. As in the company there are four non-executive directors and out of them three are non-executive independent directors to whom company is paying only sitting fees in the company. So the remuneration payable to Mr. Harshil Jayeshbhai Shah director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors and accordingly as per Regulation 17(ca) of SEBI (LODR) Regulations,2015 so the approval of shareholders by special resolution shall be obtained every year.

Mr. Harshil Jayeshbhai Shah and his relatives Mrs. Deepaben Jayeshbhai Shah, Mr. Jayesh Chhabildas Shah, and Ms. Rutvi Jayeshbhai Shah are financially or otherwise, concerned or interested in the resolution being related party.

Save and except as above, none of the other Directors of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013****I. GENERAL INFORMATION**

1.	Nature of Industry	Wall Clock Industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Total Income	8793.25	7972.11
		Profit Before Tax, Financial Cost and Depreciation	875.35	784.62
		Depreciation	228.20	156.32

		Finance Cost	228.44	195.84
		Profit Before Tax	418.72	429.97
		Tax	79.03	86.24
		Profit After Tax	339.68	343.73
		Equity Capital 1,00,08,000 Equity Share Capital of Rs. 10	1000.8	1000.8
		Earnings per share (Rs.)	3.39	3.43
5.	Export performance based on given indicators.	<b>Particulars</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
		Foreign Exchange Earning	2016.86	1544.95
		Foreign Exchange Outgo	3661.04	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

## II. INFORMATION ABOUT THE APPOINTEE:

### 1. Background Details:

Mr. Harshil Jayeshbhai Shah has completed his higher secondary education. He has invested his efforts, dedication, Knowledge, and experience in the clock industry. He is one of the member promoter group of the company. He has 4 years' experience in the clock industry. He is a visionary entrepreneur who is well versed with industry.

### 2. Recognition or awards:

Mr. Harshil Jayeshbhai Shah is well recognized for his visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

### 3. Job Profile and his suitability:

In the capacity of Director of the Company Mr. Harshil Jayeshbhai Shah shall be responsible for handling production department and providing overall handling of affairs of the Company's as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

### 4. Remuneration proposal:

Remuneration upto Rs. 10,00,000/- (Rupees Ten lakhs only) per month inclusive of all perks and facilities.

### 5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

**6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Mr. Harshil Jayeshbhai Shah along with his relatives holding more than 70% of the equity shares capital of the company. Accordingly, he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION:**

**1. Reasons of Loss or Inadequate Profits:**

Company is primarily engaged in clock industry for dealing in securities wherein margins remain stretched.

**2. Step taken or proposed to be taken for improvement:**

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

**3. Expected increase in productivity and profit in measurable terms:**

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

Mr. Harshil Jayeshbhai Shah and his relative Mr. Jayesh Chhabildas Shah, Mrs. Deepaben Jayeshbhai Shah, Ms. Rutvi Jayeshbhai Shah are financially or otherwise, concerned or interested in the resolution being related party.

The Directors recommend the aforesaid resolution for approval by the members as Special resolution.

**ITEM NO: 8:**

**RE-APPOINTMENT OF MR. SHREYANSH VIJAYBHAI VORA AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:**

Mr. Shreyansh Vijaybhai Vora was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary Meeting held on 30<sup>th</sup> December, 2017, w.e.f. 30<sup>th</sup> December, 2017 to hold office upto 29<sup>th</sup> December, 2022 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on 9<sup>th</sup> June, 2022 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years and not liable to retire by rotation.

Second term of Five consecutive years of Mr. Shreyansh Vijaybhai Vora will commence from 30<sup>th</sup> December,2022 upto 29<sup>th</sup> December,2027.

The Company has received from Mr. Shreyansh Vijaybhai Vora.

- i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Shreyansh Vijaybhai Vora fulfills the conditions for appointment as Independent Directors as specified in the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. Mr. Shreyansh Vijaybhai Vora are independent of the management.

Brief resume of Mr. Shreyansh Vijaybhai Vora nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors interse as stipulated under SEBI (LODR) Regulations, 2015 ("Listing Agreement"), are provided in annexure to the notice.

Mr. Shreyansh Vijaybhai Vora is not holding any shares in the Company directly or and through any other person. He is not related to any other Director or KMP of the Company.

Except Mr. Shreyansh Vijaybhai Vora being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 08

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 ("Listing Agreement") with the Stock Exchange

The above proposals are in the interest of the Company and the Board of the Company thus recommends these resolutions for approval of the Members of the Company as a Special Resolutions.

**ITEM NO: 9:**

**RE-APPOINTMENT OF MR. JIGAR DIPAKBHAI MEHTA AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:**

Mr. Jigar Dipakbhai Mehta was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary Meeting held on 26<sup>th</sup> February, 2018, w.e.f. 26<sup>th</sup> February, 2018 to hold office upto 25<sup>th</sup> February, 2023 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on 9<sup>th</sup> June, 2022 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years and not liable to retire by rotation.

Second term of Five consecutive years of Mr. Jigar Dipakbhai Mehta will commence from 26<sup>th</sup> February, 2023 upto 25<sup>th</sup> February, 2028.

The Company has received from Mr. Jigar Dipakbhai Mehta.

- i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Jigar Dipakbhai Mehta fulfills the conditions for appointment as Independent Directors as specified in the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. Mr. Jigar Dipakbhai Mehta are independent of the management.

Brief resume of Mr. Jigar Dipakbhai Mehta nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors interse as stipulated under SEBI (LODR) Regulations, 2015 ("Listing Agreement"), are provided in annexure to the notice.

Mr. Jigar Dipakbhai Mehta is not holding any shares in the Company directly or and through any other person. He is not related to any other Director or KMP of the Company.

Except Mr. Jigar Dipakbhai Mehta being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 09.

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 (“Listing Agreement”) with the Stock Exchange.

The above proposals are in the interest of the Company and the Board of the Company thus recommends these resolutions for approval of the Members of the Company as a Special Resolutions.

**ITEM NO:10**

**TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS:**

Under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Material related party transactions require shareholder’s approval by way of a Resolution. The said Regulation defines the term “material” as follows:

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees 1000 Crore or ten percent of the annual turnover of the listed entity as per the last audited financial statements of the listed entity whichever is lower.

The Board at its meeting held on 9<sup>th</sup> June,2022 had accorded an approval for the material transactions with related parties in the ordinary course of business and at arm’s length for FY 2022-23 and FY 2023-24. Your company hereby proposes limits for following material related party transactions limits that to be enter into between company and related party for approval of members.

<b>Name of the related party</b>	<b>Sonoma Tradelink LLP</b>
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Entities owned / significantly influenced by directors
Type of the proposed transaction	Sale of goods, Annual Discount on sales and commission on sales
Material terms and particulars of the proposed transaction	Goods are sold at arm’s length price
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Sales: Upto Rs. 300 Lakhs per year Annual Discount on sales: Upto Rs. 24 Lakhs per year Commission on sales: Upto Rs. 45 Lakhs per year
The percentage of the listed entity’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such	Sale of goods: 1.41% Annual Discount on sales: 0.40% Commission on sales:0.13%

percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction;  ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	NA
Justification as to why the RPT is in the interest of the listed entity;	The Company sold the goods, pay commission and given discount to related as well as unrelated entities in the ordinary course of business.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	--

<b>Name of the related party</b>	<b>Sonam Tradelink LLP</b>
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Entities owned / significantly influenced by directors
Type of the proposed transaction	Purchase of goods
Material terms and particulars of the proposed transaction	Goods are purchase at arm's length price
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Upto 20 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such	0.06%

percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	
If the transaction relates to any loans, inter- corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction;  ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	NA
Justification as to why the RPT is in the interest of the listed entity;	The Company purchased the goods from related as well as unrelated entities in the ordinary course of business.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	--

<b>Name of the related party</b>	<b>Shree Ansuyaben Chhabildas Shah Charitable Trust</b>
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Entities owned / significantly influenced by directors
Type of the proposed transaction	Donation
Material terms and particulars of the proposed transaction	NA
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Upto 15 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such	0.04%

percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	
If the transaction relates to any loans, inter- corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction;  ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	NA
Justification as to why the RPT is in the interest of the listed entity;	Mr. Jayeshbhai C. Shah, Managing Director is Chairperson and Mrs. Deepaben Jayeshbhai Shah, Wholetime Directors being trustee of this trust, company donating certain amount as donation every year.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	--

Date: 09.06.2022

Place: Lajai

**Registered Office:**

Survey No. 337/p, Morbi Rajkot Highway,  
Lajai, Tal. Tankara, Dist. Morbi -363641

By Order of the Board of Directors,  
SONAM CLOCK LIMITED

Sd/-  
Milankumar S. Ganatra  
Company Secretary

## DIRECTORS' REPORT

To,  
The Members,  
SONAM CLOCK LIMITED

The Directors present the 21<sup>st</sup> Annual report of the Sonam Clock Limited (the company) along with the audited financial statements for the financial year ended March 31, 2022.

### FINANCIAL PERFORMANCE:

The Company's financial performance for the year under review along with previous year figures is given hereunder:

Particulars	Rs. In Lakhs)	
	Standalone	
	Financial Year	Financial Year
	2021-22 (FY 2022)	2020-21 (FY 2021)
Revenue from Operations	8741.25	7961.75
Other Income	52	10.36
<b>Total revenue</b>	<b>8793.25</b>	<b>7972.11</b>
Operating Profit (Before Finance Cost, Depreciation & Amortisation and Exceptional items and Tax Expense)	875.36	784.76
Less: Finance Cost	228.44	195.84
Profit before Depreciation & Amortisation and Exceptional items and Tax Expense	646.92	588.92
Less: Depreciation & Amortisation	228.20	156.32
Profit before Exceptional and Extraordinary item and Tax	418.72	432.6
Less: Exceptional items (Impairment Loss)	0.00	2.63
<b>Profit before Tax</b>	<b>418.72</b>	<b>429.97</b>
Less: Current Tax pertaining to current year	91.27	99.07
Current Tax pertaining to prior year	-0.74	-1.72
Less/(Add): Deferred Tax	-11.49	-11.11
<b>Profit after Tax</b>	<b>339.68</b>	<b>343.73</b>
<b>Other Comprehensive income/(loss) Net of tax</b>	--	--
<b>Total Comprehensive income/(loss) Net of tax</b>	<b>339.68</b>	<b>343.73</b>
Earnings per share for continuing operation after Extraordinary and Exceptional items for the period/year		
Basic	3.39	3.43
Diluted	3.39	3.43

**DIVIDEND:**

In order to conserve the reserve, your directors do not recommend any dividend for the financial year ended, 31<sup>st</sup> March, 2022.

**UNPAID DIVIDEND:**

The Total unpaid amount of dividend is Rs. 10,550 including Rs.6000 Interim dividend declared on 14<sup>th</sup> November,2018. The details of unclaimed dividend available on the website of the company at [www.sonamquartz.com](http://www.sonamquartz.com).

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to Sections 123 and 125 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ('the Rules'); the relevant amounts which have remained unclaimed and unpaid for a period of seven (7) years from the date they became due for payment has to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. During the year under review, there was no amount liable or due to be transferred to Investor Education and Protection Fund.

**TRANSFER TO RESERVE & SURPLUS:**

The net profit of the company for F.Y. 2021-22 is Rs. 339.68 Lakhs. The profit of F.Y. 2021-22 has been transferred to the surplus account.

**COMPANY'S PERFORMANCE REVEIW:**

On a standalone basis, the revenue from operations for FY 2021-22 was Rs.8741.25 Lakhs over the previous year's revenue from operations of Rs.7961.75 Lakhs which is 9.80% more than previous year revenue from operations. Net Profit after tax for FY 2021-22 was Rs. 339.68 Lakhs against the previous year's Net Profit after tax of Rs. 343.73 Lakhs.

On standalone basis Earnings per Share for FY 2021-22 was Rs. 3.39 against the previous year's Earnings per Share of Rs. 3.43.

The Company definitely provide better results to the shareholders in upcoming year via better performance.

**QUALITY INITIATIVE:**

The Company continues to sustain its commitment to the highest levels of quality, superior product management and mature business continuity management. Our customer-centricity, process rigor, and focus on delivery excellence have resulted in consistent improvements in customer satisfaction levels.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

## **CHANGE IN ACCOUNTING POLICY:**

The Company adopted Indian accounting standard (“Ind As”) prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2021 the company has for the first time adopted INDIA AS with the transition date of April 1, 2020.

## **SHARE CAPITAL:**

During the period under review, there has been no change in the authorised share capital and paid up share capital of the Company which stands at Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 1,10,00,000 (One Crore Ten Lakhs only) equity shares of Rs. 10/- each and Rs. 10,00,80,000/- (Rupees Ten Crore Eighty Thousand only) divided into 1,00,08,000 (One Crore Eight Thousand) equity shares of Rs. 10/- each respectively.

## **LISTING INFORMATION:**

The Equity Shares in the Company are continued to be listed NSE Platform and in dematerialized form. The ISIN No. of the Company is INE00LM01011.

## **MIGRATION FROM NSE SME EXCHANGE TO MAIN BOARD:**

The Company obtained shareholder approval for migration of SME exchange to main board on 30<sup>th</sup> December,2021 through postal ballot. The Company migrated from NSE Emerge to main board of NSE w.e.f. 7<sup>th</sup> April, 2022.

## **STATEMENT PURSUANT TO LISTING AGREEMENT:**

The Company Equity Shares is listed at National Stock Exchange Limited. The Annual Listing fee for the year 2022-23 has been paid.

## **DEPOSITS FROM PUBLIC:**

The Company has neither accepted nor renewed any deposits covered under section 73 to 76 of the Companies Act, 2013 during the year under review. The company had accepted unsecured loans from its directors at the end of year under report, outstanding unsecured loans of Rs. 278 Lakhs. The Company had obtained required declaration as referred to in proviso to Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The Company has not given any loans, guarantees or made investment covered under the provisions of section 186 of the Companies Act, 2013 during the year 2021-22.

### **UTILIZATION OF IPO FUND:**

The Initial Public Offer fund is utilized for the purpose for which the amount is raised as mentioned in the prospectus and there is no deviation or variation in the Utilization of IPO Fund.

### **CHANGE IN THE NATURE OF BUSINESS:**

There is no change in the nature of the business of the company done during the year.

### **INTERNAL CONTROLS AND THEIR ADEQUACY:**

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

M/s. D. V. Bakrania & Associates (FRN:127116W) is the internal auditor of the Company for the F.Y. 2021-22 who conducts Internal audit and submit reports to the Audit Committee. The Internal Audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The Audit Committee reviews the effectiveness of the Company's internal control system.

### **DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES:**

The Company does not have any holding, subsidiary and associate Company during the period of Reporting.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information in accordance with the provisions of 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 under:

Sr. No.	Particulars	Comments						
<b>(A)</b>	<b>Conservation of energy</b>							
(i)	the steps taken or impact on conservation of energy;	<p>Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies.</p> <table border="1" data-bbox="847 663 1385 936"> <thead> <tr> <th data-bbox="847 663 1118 779">Particulars</th> <th data-bbox="1118 663 1385 779">F.Y. 2021-22 (Amount in Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="847 779 1118 857">Consumption of Diesel / Gas</td> <td data-bbox="1118 779 1385 857">Rs. 3,16,779</td> </tr> <tr> <td data-bbox="847 857 1118 936">Consumption of Electricity</td> <td data-bbox="1118 857 1385 936">Rs. 71,31,175</td> </tr> </tbody> </table>	Particulars	F.Y. 2021-22 (Amount in Rs.)	Consumption of Diesel / Gas	Rs. 3,16,779	Consumption of Electricity	Rs. 71,31,175
Particulars	F.Y. 2021-22 (Amount in Rs.)							
Consumption of Diesel / Gas	Rs. 3,16,779							
Consumption of Electricity	Rs. 71,31,175							
(ii)	the steps taken by the Company for utilizing alternate sources of energy;	Nil						
(iii)	the capital investment on energy conservation equipment	Nil						
<b>(B)</b>	<b>Technology absorption</b>							
(i)	the efforts made towards technology absorption	<p>Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale. Innovation and focus of continuously launching a new offering drive differentiation and creating value has become a norm for the Industry, Thus a robust focus on developing new features and technology solutions to capture the consumer's imagination and fuel the desire for enhanced experiences continues to be critical for Organizations.</p>						
(ii)	the benefits derived like product improvement, cost reduction,	Nil						

	product development or import substitution;		
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year :		
	(a) the details of technology imported	Nil	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	Nil	
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	<b>Inflow (In Rs.)</b>	<b>Out Flow (In Rs.)</b>
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Rs. 2016.85 USD\$ 25,12,897/-	Rs. 3661.04 USD            US\$ 4662642/-

#### **INDUSTRIAL RELATION:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As per Provisions of Section 152 of the Companies Act, 2013, Mrs. Deepaben Jayeshbhai Shah is liable to retire by rotation and is eligible for re-appointment.

Mr. Suresh Somnath Dave appointed as additional independent director on 10<sup>th</sup> November, 2021 and confirmed as independent director in 30<sup>th</sup> December, 2021 by resolution passed through postal ballot.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Act, with respect to Director Responsibility Statement, the Board of Directors, to the best of its knowledge and ability, confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair

view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

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

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**NUMBER OF BOARD MEETINGS AND ATTENDANCE:**

Fourteen meetings of the Board were held during the f. y 2021-22. The interval between any two meetings was well within the maximum allowed gap of 120 days. The Composition of Board of directors and the details of meetings attended by the members during the f. y. 2021-22 are given below.

Name of director	Jayesh Chhabildas Shah (Chairman cum Managing Director)	Deepaben Jayeshbhai Shah (Whole-time director)	Harshil Jayeshbhai Shah (Director)	Shreyansh Vijaybhai Vora (Independent Director)	Jigar Dipakbhai Mehta (Independent Director)	Suresh Somnath Dave (Independent Director)
DIN	00500814	01981533	07230243	08034487	08051320	08111653
Date of meeting						
05.04.2021	Yes	Yes	Yes	Yes	Yes	Appointed Independent Non-Executive Director w.e.f 10.11.2021
05.05.2021	Yes	Yes	Yes	No	No	
26.06.2021	Yes	Yes	Yes	Yes	Yes	
01.08.2021	Yes	Yes	Yes	No	No	
18.08.2021	Yes	Yes	Yes	Yes	Yes	
05.10.2021	Yes	Yes	Yes	Yes	Yes	
10.11.2021	Yes	Yes	Yes	No	No	
11.11.2021	Yes	Yes	Yes	No	No	
13.11.2021	Yes	Yes	Yes	Yes	Yes	Yes
25.11.2021	Yes	Yes	Yes	Yes	Yes	Yes
21.01.2022	Yes	Yes	Yes	Yes	Yes	Yes
10.02.2022	Yes	Yes	Yes	No	No	No
05.03.2022	Yes	Yes	Yes	No	No	No
31.03.2022	Yes	Yes	Yes	Yes	Yes	Yes
Total Meetings Attended/ Total Meetings During the year	14/14	14/14	14/14	8/14	8/14	4/6

Attended last AGM	Yes	Yes	No	Yes	Yes	NA
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### **COMMITTEES OF THE BOARD:**

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, currently, your Board has three Committees viz., Audit Committee, Remuneration & Nomination Committee and Stakeholder Relationship Committee to look into various aspects for which they have been constituted. The Board fixes the terms of reference of Committees and also delegate powers from time to time.

### **AUDIT COMMITTEE:**

The Audit Committee comprises of non-executive Independent Director and Director as its Member. The Chairman of the committee is Independent Director. Seven meetings of the Audit committee were held during f. y. 2021-22.

The Composition of Audit Committee and the details of meetings attended by the members during the year are given below.

Name of Members Status	Status		Attendance at the Meetings held on							Total No. of Meetings Attend/ Total Number of Meetings during the year
	Category	Designation	05.04.2021	05.05.2021	26.06.2021	18.08.2021	05.10.2021	13.11.2021	05.03.2022	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7
Mr. Jayeshbhai Chhabildas Shah	ED	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7

ID - Independent Director, NED-Non Executive Director; ED – Executive Director;

### **RECOMMENDATIONS BY THE AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS:**

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

## **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

One meeting of the Nomination and Remuneration Committee was held during the f. y. 2021-22.

Name of Members	Status		Attendance at the Meetings held on	Total No. of Meetings Attend/Total Number of Meetings during the year
	Category	Designation	10.11.2021	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	1/1
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	1/1
Mr. Harshil Jayeshbhai Shah	NED	Member	Yes	1/1

The Nomination and remuneration policy available on the website of the company at [www.sonamquartz.com](http://www.sonamquartz.com).

## **STAKEHOLDER RELATIONSHIP COMMITTEE**

The stakeholder relationship committee comprises non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

Four meetings of the Stakeholder Relationship Committee were held during f. y. 2021-22.

The Composition of Stakeholder and Relationship Committee and the details of meetings attended by the members during the year are given below:

### **Composition, name of members, chairperson, meeting and attendance during the year:**

Name of Members	Status		Attendance at the Meetings held on				Total No. of Meetings Attend/Total Number of Meetings during the year
	Category	Designation	15.04.2021	21.07.2021	21.10.2021	21.01.2022	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	Yes	Yes	Yes	4/4
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	Yes	Yes	Yes	4/4
Mrs. Deepaben Jayeshbhai S	ED	Member	Yes	Yes	Yes	Yes	4/4

ID - Independent Director, NED-Non Executive Director; ED- Executive Director

## **ANNUAL RETURN:**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013 the Annual Return is available on the Website of the Company at [www.sonamquartz.com](http://www.sonamquartz.com).

## **CORPORATE GOVERNANCE REPORT:**

Sonam Clock limited is committed to ensuring the highest levels of ethical standards, professional integrity, corporate governance and regulatory compliance. The Company understands and respects its fiduciary duty to all stakeholders and strives to meet their expectations. The core principles of independence, accountability, responsibility, transparency, fair and timely disclosures serve as the basis of the Company's approach to Corporate Governance.

Report on Corporate Governance is annexed in annexure-I and forms an integral part of this Annual Report. Certificate from M/s. H. S. Mehta & Associates, Company Secretary in practice, regarding compliance of conditions of Report on Corporate Governance as stipulated in the Listing Regulations is also appended to the Report on Corporate Governance in annexure-II.

## **CERTIFICATE BY CFO OF THE COMPANY:**

Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 Compliance certificate as per Part B of Schedule –II is annexed in annexure-III.

## **AUDITORS:**

### **1. STATUTORY AUDITORS:**

At the 17<sup>th</sup> AGM held on August 13, 2018 the Members approved appointment of M/s. S V K & Associates, Chartered Accountants (Firm Registration No. 118564W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 22<sup>nd</sup> AGM.

### **2. SECRETARIAL AUDITOR:**

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. H. S. Mehta & Associates (CP. No. 2471), Practicing Company Secretary, Ahmadabad as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2021-22.

A Secretarial Audit Report for the Financial Year 2021-22 is annexed herewith as Annexure-IV in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation. Pursuant to Regulation 24A of the Listing SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and amend thereon, M/s. H. S. Mehta & Associates, Company Secretary in practice has issued Secretarial Compliance report for the 2021-22 and Company has same filed with National Stock Exchange of India (NSE).

### **3. INTERNAL AUDITOR:**

The Board of directors has appointed M/s. D. V. Bakrania & Associates., Chartered Accountant as the internal auditor of the company on the recommendations of the Audit Committee for F.Y. 2021-22; The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

### **4. COST AUDITORS AND THEIR REPORT:**

As per provision of section 148(3) of Companies Act, 2013 and rule 6(2) of Companies (Cost records and audit) Rules, 2014, the company is not required to appoint a cost auditor to maintain / audit the cost records of the company for cost audit report.

### **REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:**

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. SVK & Associates, (FRN: 118564W), Chartered Accountants, Ahmedabad, in the Auditor's report and by Secretarial Auditors M/s. H. S. Mehta & Associates, Ahmedabad, Practicing Company Secretary, in their Secretarial Audit Report for the Financial Year ended March 31, 2022.

### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under review is presented in a separate section forming the part of the Annual Report is attached here with as Annexure V.

### **DEMATERIALISATION OF SHARES:**

During the year under review, all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company. The Company ISIN No. is INE00LM01011 and Registrar and Share Transfer Agent is BIG SHARE SERVICES PRIVATE LIMITED.

### **DIRECTOR REMUNERATION AND SITTING FEES:**

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors and sitting fees is given during the year 2021-22.

### **RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with the interest of the company at large. Your Directors draw your attention to notes to the financial statements for detailed related parties' transactions entered during the year. Accordingly, as per third proviso to Section 188(1) of the Act, no approval of the Board or Members / Shareholders is required for such transactions. However, as part of good corporate governance, all related party transactions covered under Section 188 of the Act are approved by the Audit committee. The FORM AOC- 2 is attached as Annexure - VI with this report.

### **CREDIT RATING:**

The company has not obtained any rating from any Credit Rating Agency during the year.

### **MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on March 05, 2022 inter alia, to discuss:

1. Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
2. Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
3. Assess 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.

All the Independent Directors were present in the meeting.

### **1. DECLARATION FROM INDEPENDENT DIRECTORS:**

The Independent Directors of the Company have given declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and read with Regulation 16(1)(b) of the Listing Regulations and in the opinion of the Board, the Independent Directors meet the said criteria. Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

## **2. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:**

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended March 31, 2022.

## **3. FORMAL ANNUAL EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

## **POLICIES OF THE COMPANY:**

### **REMUNERATION AND APPOINTMENT POLICY:**

The Company follows a policy on remuneration of Directors and senior management employees, details of the same are given in the website of the Company [www.sonamquartz.com](http://www.sonamquartz.com).

The committee must ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. 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.

### **POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:**

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on

Materiality of Related Party Transaction has been available on the website of the Company [www.sonamquartz.com](http://www.sonamquartz.com).

**POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:**

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements. The Policy on Code of Conduct for Director and Senior Management has been available on the website of the Company [www.sonamquartz.com](http://www.sonamquartz.com).

**PREVENTION OF INSIDER TRADING:**

Pursuant to provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by employees and other connected persons and code of practices and procedure for fair disclosure of unpublished price Sensitive Information. The same has been available on the website of the Company [www.sonamquartz.com](http://www.sonamquartz.com).

**POLICY ON THE PRESERVATION OF DOCUMENTS AND ARCHIVE POLICY:**

Pursuant to provision of the regulations, the board has formulated the policy on the Preservation of Documents & Archive policy. The same has been available at the website of company at [www.sonamquartz.com](http://www.sonamquartz.com).

**BUSINESS RISK MANAGEMENT:**

The Company has taken various steps in connection with the implementation of Risk Management measures in terms of provisions contained in the Companies Act, 2013, after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by Board from time to time. Key risks identified are methodically addressed through mitigating actions on a continuing basis. The policy of risk management is made available on the website of the company [www.sonamquartz.com](http://www.sonamquartz.com).

**CORPORATE SOCIAL RESPONSIBILITY:**

As per section 135 of the Companies act, 2013 expenditure of CSR is not applicable to the company for f. y. 2021-22 since the company is not meeting with the criteria of net-worth, turnover or net profits mentioned therein.

**VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:**

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. The Vigil Mechanism has been available on the website of the Company at [www.sonamquartz.com](http://www.sonamquartz.com).

### **POLICY ON IDENTIFICATION OF GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS:**

Your Company has adopted a policy on identification of group companies, material creditors and material litigations. The policy on identification of group companies, material creditors and material litigations has been available on the website of the Company at [www.sonamquartz.com](http://www.sonamquartz.com).

### **POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION:**

Your Company has adopted a Policy on Determination and Disclosure of Materiality of Events and Information. The Policy on Determination and Disclosure of Materiality of Events and Information has been available on the website of the Company at [www.sonamquartz.com](http://www.sonamquartz.com).

### **PARTICULARS REGARDING EMPLOYEES REMUNERATION:**

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information pertaining to section 197 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is annexed herewith as Annexure-VII.

### **DISCLOSURES BY DIRECTORS:**

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as information by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Companies Act, 2013.

### **DISQUALIFICATIONS OF DIRECTORS:**

During the financial year 2021-22 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI letter dated 14<sup>th</sup> June, 2018 and NSE circular dated 20<sup>th</sup> June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**SECRETARIAL STANDARD:**

Your Directors states that they have devised proper systems to ensure compliance with the Secretarial Standards and that such system are adequate and operating effectively.

**OTHER REGULATORY REQUIREMENT:**

The Company has been complied with all regulatory requirements of central government and state government and there were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

**SEBI COMPLAINTS REDRESS SYSTEM (SCORES):**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of

actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2021-22.

**INVESTOR GRIEVANCES REDRESSAL STATUS:**

During the Financial Year 2021-22, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at [cs@sonamquartz.com](mailto:cs@sonamquartz.com).

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules there under.

**ACKNOWLEDGEMENT:**

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the Sonam Clock Family.

Registered Office:  
Survey No. 337/p, Morbi  
Rajkot Highway, Lajai, Tal.  
Tankara, Dist. Morbi-  
363641

Date: 09.06.2022

Place: Lajai

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Sd/-

Jayeshbhai C. Shah  
Chairman & Managing  
Director  
DIN: 00500814

Sd/-

Deepaben J. Shah  
Whole-Time Director  
DIN: 01981533

## **ANNEXURE-I**

### **REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2022**

**Pursuant to Regulation 34 read with Schedule V and Regulation 17 to 27 and 46 of SEBI (LODR) Regulations 2015 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is as follows:**

- The company developed belief that Corporate Governance is integral to the existence of the company. Corporate governance is all about compliance with all the moral & ethical values, legal framework and voluntarily adopted practices. We feel that corporate governance and ethics go hand in hand. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world.

#### **Quote:**

“Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.”

**Institute of Company Secretaries of India**

## **BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Sonam Clock Limited is committed towards adoption of best corporate governance practices beyond compliance of law. The Company has a good legacy of fair, transparent and ethical governance practices. We continuously strive for betterment of our corporate governance mechanisms so as to improve efficiency, transparency and accountability of our operations and systems. This culture inspires trust among all stakeholders and strengthens the Board and management accountability.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

## **BOARD OF DIRECTORS AND ITS COMPOSITION:**

- As on March 31, 2022, the strength of the Board was six Directors. Out of the six Directors, four (i.e. 67% percent) are Non-Executive Directors out of which three are Independent Directors. The Board Members consists of persons with professional expertise and experience in various fields of Industries, Marketing, Finance, Management, Accountancy, etc. The Chairman of the Company is Managing Director.
- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven Listed Companies. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors.
- Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.
- Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

- The meetings of the Board of Directors are generally held at the Corporate Office. Meetings are scheduled well in advance. The Board meets at regular intervals to review the half yearly/ quarterly performance and the financial results of the Company. The Members of the Board have access to all information on the Company and are free to recommend inclusion of any matter in the agenda for discussion. Senior Management persons are also invited to attend the Board meetings and provide clarifications as and when required. The necessary quorum was present for all the meetings.

**a. Attendance record of Board meetings:**

During the Financial Year, 2021-22, 14 (Fourteen) Board meeting were held on 5<sup>th</sup> April, 2021, 5<sup>th</sup> May, 2021, 26<sup>th</sup> June, 2021, 1<sup>st</sup> August, 2021, 18<sup>th</sup> August, 2021, 5<sup>th</sup> October, 2021, 10<sup>th</sup> November, 2021, 11<sup>th</sup> November, 2021, 13<sup>th</sup> November, 2021, 25<sup>th</sup> November, 2021, 21<sup>st</sup> January, 2022, 10<sup>th</sup> February, 2022, 5<sup>th</sup> March, 2022 and 31<sup>st</sup> March, 2022. The time gap between two Board Meetings was less than 120 days.

Details regarding attendance of Board Meeting held during Financial Year 2021-22 and the Last Annual General Meeting held on the 14<sup>th</sup> September, 2021.

Name of director	Jayesh Chhabildas Shah (Chairman cum Managing Director)	Deepaben Jayeshbhai Shah (Whole-time director)	Harshil Jayeshbhai Shah (Director)	Shreyansh Vijaybhai Vora (Independent Director)	Jigar Dipakbhai Mehta (Independent Director)	Suresh Somnath Dave (Independent Director)
DIN	00500814	01981533	07230243	08034487	08051320	08111653
Date of meeting						
05.04.2021	Yes	Yes	Yes	Yes	Yes	Appointed Independent Non-Executive Director w.e.f 10.11.2021
05.05.2021	Yes	Yes	Yes	No	No	
26.06.2021	Yes	Yes	Yes	Yes	Yes	
01.08.2021	Yes	Yes	Yes	No	No	
18.08.2021	Yes	Yes	Yes	Yes	Yes	
05.10.2021	Yes	Yes	Yes	Yes	Yes	
10.11.2021	Yes	Yes	Yes	No	No	
11.11.2021	Yes	Yes	Yes	No	No	
13.11.2021	Yes	Yes	Yes	Yes	Yes	
25.11.2021	Yes	Yes	Yes	Yes	Yes	
21.01.2022	Yes	Yes	Yes	Yes	Yes	Yes
10.02.2022	Yes	Yes	Yes	No	No	No
05.03.2022	Yes	Yes	Yes	No	No	No
31.03.2022	Yes	Yes	Yes	Yes	Yes	Yes
Total Meetings Attended/ Total Meetings During the year	14/14	14/14	14/14	8/14	8/14	4/6
Attended last AGM	Yes	Yes	No	Yes	Yes	NA

**b. Details regarding Directorship(s) and Committee Membership(s) in Other Companies:**

Sr. No.	Name Of Director	Category	Directorship in other companies *		No of Committee position held in other Companies*		Directorship in other listed entity- Category of Directorship
			Chairman	Member	Chairman	Member	
1)	Jayesh Chhabildas Shah (Chairman cum Managing Director)	Non independent- Executive	Nil	Yes	Nil	Nil	Nil
2)	Deepaben Jayeshbhai Shah (Whole-time director)	Non independent- Executive	Nil	Yes	Nil	Nil	Nil
3)	Harshil Jayeshbhai Shah (Director)	Non Independent- Non-Executive	Nil	Nil	Nil	Nil	Nil
4)	Shreyansh Vijaybhai Vora (Independent Director)	Independent - Non-Executive	Nil	Nil	Nil	Nil	Nil
5)	Jigar Dipakbhai Mehta (Independent Director)	Independent - Non-Executive	Nil	Nil	Nil	Nil	Nil
6)	Suresh Somnath Dave (Independent Director)	Independent - Non-Executive	Nil	Yes	Nil	Yes	1- Independent Director

\*Other Directorship do not include directorship of Pvt. Ltd. companies, foreign companies and companies registered under Section 8 of the Act, Further, None of them is a member of more than ten Committees or Chairman of five Committees across all the public companies in which he/she is Director.

\*For the purpose of determination of limits of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been Considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

**c. Details of Share Holdings of Executive and Non-Executive Directors as on 31<sup>st</sup> March 2022:**

Name of Directors	Nature of Directorship	Relationship with each other	No. of Share Held as on 31 <sup>st</sup> March 2022	% holding as on 31 <sup>st</sup> March 2022
Jayesh Chhabildas Shah	Chairman- Managing Director	Husband of Deepaben Jayeshbhai Shah &	6407200	64.02%

		Father of Harshil Jayeshbhai Shah		
Deepaben Jayeshbhai Shah	Whole Time Director-	Wife of Jayesh Chhabildas Shah & Mother of Harshil Jayeshbhai Shah	480000	4.80%
Harshil Jayeshbhai Shah	Non-Executive Non Independent Director	Son of Jayesh Chhabildas Shah & Deepaben Jayeshbhai Shah	100	0.0001%
Shreyansh Vijaybhai Vora	Non-Executive Independent Director	---	---	---
Jigar Dipakbhai Mehta	Non-Executive Independent Director	---	---	---
Suresh Somnath Dave	Non-Executive Independent Director	---	---	---

#### **d. Code of Conduct**

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company as per Regulation 17(5) of the SEBI (LODR) Regulations, 2015 and subsequent amendments as SEBI (LODR) Amendments Regulations, 2018. The Company has received confirmation from the Directors and Senior Management regarding compliance with the code for the financial year ended March 31, 2022. A declaration to this effect duly signed by Managing Director of the Company is attached herewith in annexure- A and forms a part of Corporate Governance Report. The code has been displayed on the Company's website [www.sonamquartz.com](http://www.sonamquartz.com).

#### **MATRIX OF CORE SKILLS/ EXPERTISE/ COMPETENCIES OF DIRECTORS IN CONTEXT OF BUSINESS OF THE COMPANY:**

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Financial	: Understanding the financial statements, financial controls, risk management, mergers and acquisitions, etc.
Global Business	: Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks, and a board perspective on global market opportunities.
Leadership	: Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, driving change and long-term growth.

Technical	:	Technical, professional skills and knowledge including legal and regulatory aspects.
Board Service and Governance	:	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and Marketing	:	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.

Sr. No.	Name of Director	Financial	Global Business	Leadership	Technical	Board Service and Governance	Sales and Marketing
1)	Jayesh Chhabildas Shah	✓	✓	✓	✓	✓	✓
2)	Deepaben Jayeshbhai Shah	✓		✓		✓	✓
3)	Harshil Jayeshbhai Shah	✓	✓	✓	✓	✓	✓
4)	Shreyansh Vijaybhai Vora	✓	✓	✓	✓	✓	
5)	Jigar Dipakbhai Mehta	✓	✓	✓	✓	✓	
6)	Suresh Somnath Dave	✓	✓	✓	✓	✓	

Board of Directors hereby confirm, in the opinion of the Board, that the Independent Directors fulfil the conditions specified in LODR regulations and are independent of the management.

#### **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(s) informs the Board about the summary of the discussions held in the Committees Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board has established the following statutory Committees:

#### **AUDIT COMMITTEE**

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015. The quorum of the said Audit Committee Meetings is 2 (Two) members or one third (1/3) of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

The recommendations of the Audit Committee were accepted by the Board of Directors of the Company from time to time. CS Milankumar Sureshbhai Ganatra is Company Secretary to the Meeting.

The primary objective is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate timely and proper disclosures and transparency integrity and quality financial reporting.

The Managing Director and Chief Financial Officer are invitees to the meetings of the Committee. All the members of the Audit Committee are financially literate and have accounting and related financial management expertise.

#### **a. Brief description of Terms of Reference:**

The terms of reference of Audit Committee, as approved by the Board and amended from time to time, The Role of the Audit Committee includes the following:

1. Oversight of the listed entity'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 listed entity;
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;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - 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 the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;

- significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses/ application of funds raised 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. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, 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, adequacy of the internal control systems;
  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. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
  16. Discussing with the 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. 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;
  18. 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;
  19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
  20. 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;
  21. To review the functioning of the whistle blower/Vigil mechanism;
  22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
  23. Audit committee shall oversee the vigil mechanism.
  24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.

25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - f) Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**b. Composition, name of members, chairperson, meeting and attendance during the year:**

During the year under review, the Audit Committee met seven times on 5<sup>th</sup> April,2021, 5<sup>th</sup> May,2021, 26<sup>th</sup> June,2021, 18<sup>th</sup> August, 2021, 5<sup>th</sup> October,2021, 13<sup>th</sup> November,2021 and 5<sup>th</sup> March,2022.

Name of Members	Status		Attendance at the Meetings held on							Total No. of Meetings Attend/Total Number of Meetings during the year
	Category	Designation	05.04.2021	05.05.2021	26.06.2021	18.08.2021	05.10.2021	13.11.2021	05.03.2022	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7
Mr. Jayeshbhai Chhabildas Shah	ED	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7

ID - Independent Director, NED-Non Executive Director; ED – Executive Director;

**NOMINATION AND REMUNERATION COMMITTEE:**

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Nomination and Remuneration Committee

Meetings are generally held responsible for identifying the persons who are qualified to become Directors, their remuneration and appointment of personnel at senior level management and their removal. The Composition of the Committee is as under:

The recommendations of the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company from time to time. CS Milankumar Sureshbhai Ganatra is Company Secretary to the Meeting.

**a. Brief description of terms of reference:**

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. 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;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Directors.
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
11. To formulate and administer the Employee Stock Option Scheme.

**b. Composition, name of members, chairperson, meeting and attendance during the year:**

Name of Members	Status		Attendance at the Meetings held on	Total No. of Meetings Attend/Total Number of Meetings during the year
	Category	Designation		
			10.11.2021	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	1/1
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	1/1
Mr. Harshil Jayeshbhai Shah	NED	Member	Yes	1/1

ID - Independent Director, NED-Non Executive Director; ED – Executive Director;

**c. Performance evaluation criteria for independent director:**

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Company has constituted Stakeholder's Relationship Committee in compliance with the requirements of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The recommendations of the Stakeholders Relationship Committee were accepted by the Board of Directors of the Company from time to time. CS Milankumar Sureshbhai Ganatra is Company Secretary to the Meeting.

Further, during the year under review No Investor Complaints had received.

**a. Brief description of terms of reference:**

The terms of reference of Stakeholders Relationship Committee, as approved by the Board and amended from time to time, includes the following:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.

- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.”

**b. Composition, name of members, chairperson, meeting and attendance of the stakeholder’s relationship committee during the year:**

Name of Members	Status		Attendance at the Meetings held on				Total No. of Meetings Attend/Total Number of Meetings during the year
	Category	Designation	15.04.2021	21.07.2021	21.10.2021	21.01.2022	
Mr. Shreyansh Vijaybhai Vora	ID-NED	Chairman	Yes	Yes	Yes	Yes	4/4
Mr. Jigar Dipakbhai Mehta	ID-NED	Member	Yes	Yes	Yes	Yes	4/4
Mrs. Deepaben Jayeshbhai Shah	ED	Member	Yes	Yes	Yes	Yes	4/4

ID - Independent Director, NED-Non Executive Director; ED- Executive Director

**Name, Designation, Address and Contact details of the Compliance Officer:**

Mr. Milankumar Sureshbhai Ganatra  
 Company secretary is the compliance officer  
 SONAM CLOCK LIMITED  
 Survey No. 337/p, Morbi Rajkot Highway, Lajai  
 Tal. Tankara, Dist. Morbi- 363641  
 Email id: [cs@sonamquartz.com](mailto:cs@sonamquartz.com)

**Details of Shareholders’/Investors’ Complaints during the 2021-22:**

Big Share Services Private Limited (RTA) the Company, and SCORES- the official website of SEBI received shareholders’/investors complaints and the details for f. y. 2021-22 are as follows:

Particulars	Figures
Number of shareholders’ complaints received during the financial year	0
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0

### **RISK MANAGEMENT COMMITTEE:**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, composition of Risk management Committee shall be applicable to top 1000 listed entities, determined on the basis of market capitalization, as at the end of immediate previous financial year. The company does not come under the purview of the above regulation and accordingly does not constitute committee.

### **INDEPENDENT DIRECTORS:**

During the year under review, one meeting of Independent Directors of the Company without the presence of Non- Independent Directors and Members of Management was held on 5<sup>th</sup> March, 2022 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. The meeting was attended by all the Independent Directors and Mr. Shreyansh Vijaybhai Vora chaired the said meeting.

### **The Independent Directors reviewed following matter in their Meeting:**

1. Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
2. Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
3. Assess 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.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, ("IICA"). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. All the independent director would be undertaking the said test in due course.

### **FAMILIARISATION PROGRAMME:**

Pursuant to the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time. The Familiarization Programmes imparted to Independent Directors of the Company has been disclosed on its website at <https://sonamquartz.com>;

## **REMUNERATION OF DIRECTORS:**

### **a. Pecuniary Transactions:**

There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company that have a potential conflict with the interests of the Company.

### **b. Criteria of making payments to Non-Executive/ Independent Director(s):**

The criteria of making payments to Non-Executive Director/Independent Director(s) is appearing on the website of the Company and the web link of the same is as under:

**<https://sonamquartz.com/investors/policy/>**

### **c. Details of the Remuneration for the year ended March 31, 2022:**

- **Non-Executive Directors:**

<b>Name</b>	<b>Salary</b>	<b>Sitting Fees</b>
Harshil Jayeshbhai Shah	Rs.21,60,000	---
Shreyansh Vijaybhai Vora	---	---
Jigar Dipakbhai Mehta	---	---
Suresh Somnath Dave	---	

- **Managing Director and Executive Director**

<b>Name</b>	<b>Salary</b>	<b>Sitting Fees</b>
Jayesh Chhabildas Shah	Rs. 75,60,000	---
Deepaben Jayeshbhai Shah	Rs.75,60,000	---

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

## **9. GENERAL BODY MEETINGS:**

### **a. Annual General Meeting (“AGM”):**

Location and time, where last three annual general meetings held:

<b>Date of AGM</b>	<b>Financial Year</b>	<b>Venue/Locations where held</b>	<b>Time</b>	<b>Whether any special resolution was passed</b>
27/08/2019	2018-19	Survey No. 337/p, Morbi Rajkot Highway, Tal. Tankara, Dist. Morbi, Lajai Rajkot 363641, Gujarat	11:00 a.m.	No

08/08/2020	2019-20	Meeting conducted through Video Conferencing ("VC")/ Other Audio Video Means ("OAVM") pursuant to the MCA Circular	11:30 a.m.	Yes
14/09/2021	2020-21	Meeting conducted through Video Conferencing ("VC")/ Other Audio Video Means ("OAVM") pursuant to the MCA Circular	04:00 p.m.	Yes

**b. Extraordinary General Meeting:**

No extraordinary general meeting of the members was held during FY 2022.

**c. Details of the Special Resolution Passed at the previous three Annual General Meeting:**

Sr. No.	Date of AGM	Details of Special Resolutions Passed
1.	27.08.2019	--
2.	08.08.2020	Confirm appointment of Mr. Harshil Jayeshbhai Shah as Director and approve remuneration
3.	14.09.2021	Increase remuneration of Mr. Harshil Jayeshbhai Shah

**Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated November 25,2021 for confirm appointment of Suresh S. Dave as Independent director, Migration of SME board to main board, Reclassification from promoter group to public which was duly passed and the results of which were announced on December 31,2021. Dhara R. Patel (Membership No. ACS 29198), Practising Company Secretaries, Ahmedabad was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

**APPOINTMENT OF MR. SURESH SOMNATH DAVE (DIN: 08111653) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR:**

Voted in favour of the resolution			Voted against the resolution			Invalid votes		
Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
111	9446900	100	--	--	--	--	--	--

**TO APPROVE THE MIGRATION OF LISTING/TRADING OF EQUITY SHARES OF THE COMPANY FROM SME PLATFORM (EMERGE) OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE) TO MAIN BOARD OF NSE:**

Voted in favour of the resolution			Voted against the resolution			Invalid votes		
Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
102	1995000	100	--	--	--	--	--	--

**RECLASSIFICATION OF PERSONS FORMING PART OF 'PROMOTER & PROMOTER GROUP' TO 'PUBLIC CATEGORY':**

Voted in favour of the resolution			Voted against the resolution			Invalid votes		
Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast	Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
102	1995000	100	--	--	--	--	--	--

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 02/2021 dated April 8, 2020, April 13, 2020 and January 13, 2021 respectively issued by the Ministry of Corporate Affairs.

**Details of special resolution proposed to be conducted through postal ballot:**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

**MEANS OF COMMUNICATION:****a) Quarterly/ Half yearly Results:**

The Company has always promptly reported to all the Stock Exchanges where the securities of the Company are listed, all material information including declaration of quarterly / half-yearly and annual financial results in the prescribed formats etc.

The financial results and other statutory information are communicated to the shareholders by way of advertisement in “Business Standard”, English newspaper having nationwide circulation Economic times (English Version) and Navgujarat Samay [Vernacular Version (Gujarati) as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said results are also made available on the Company’s website: [www.sonamquartz.com](http://www.sonamquartz.com). The Company information, Annual Reports are also displayed on the Company’s website.

**Results were announced During 2021-22 (April 1, 2021 to March 31, 2022) \***

Sr. No.	Particulars	Date of Meeting
1.	Unaudited Half yearly results for the year ended on 30 <sup>th</sup> September, 2021	13.11.2021
2.	Audited Financial Results for the financial year ended 31 <sup>st</sup> March 2022	26.05.2022

\* The company migrated from SME board to main board on 7<sup>th</sup> April,2022.

**7. GENERAL SHAREHOLDER INFORMATION:**

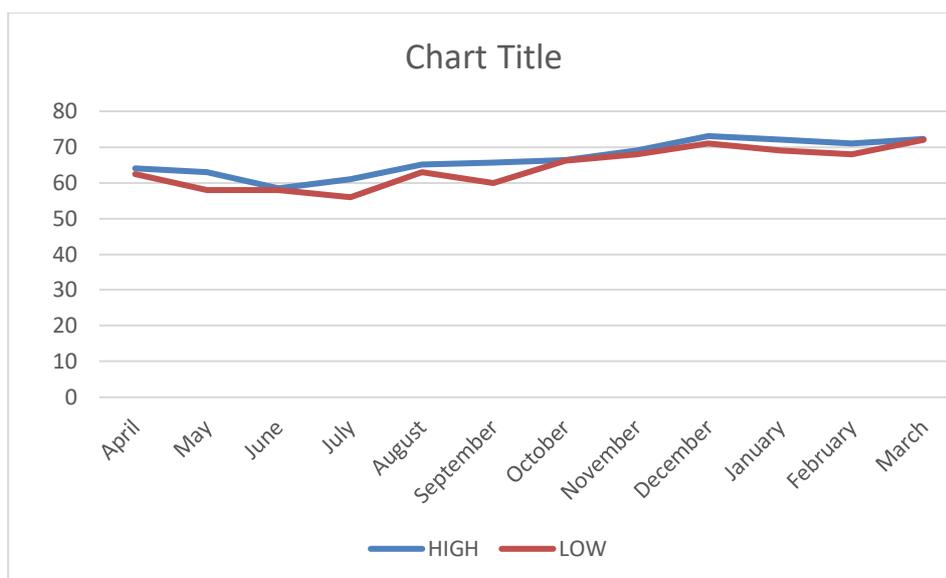
Sr. No.	Item of Interest	Particulars
1.	Annual General Meeting (AGM) Date, Time, and Venue	Wednesday, 06 <sup>th</sup> July, 2022 through video conferencing (“VC”) /Other Audio Visual Means (“OAVM”) at 04:00 p.m.
2.	Financial Year	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022 (consisting of 12 months)
3.	Dividend payment date	The Board has not Recommended any dividend for the year.
4.	Bonus Declaration date	The Board Recommendation of issuance of fully paid up Bonus share in the ratio of 1:1 (1 equity share for every existing 1 fully paid up Equity shares of Rs. 10/- each) subject to approval of shareholders.
5.	Date of Book Closure	As mentioned in the Notice of this AGM

6.	Listing of Shares on Stock Exchanges	National Stock Exchange of India Limited NSE – Corporate Office Exchange Plaza, C - 1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Phones: (022) 26598100 – 8114 Fax No: (022) 26598120
7.	Payment of Listing Fees	Annual Listing fees as applicable have been duly paid.
8.	Stock Code/ISIN	Code : SONAMCLOCK ISIN :INE00LM01011
9.	CIN	L33302GJ2001PLC039689
10.	Whether S&P BSE 500 Index	No
11.	in case the securities are suspended from trading, the directors report shall explain the reason thereof	N.A.
12.	Registrar & Share transfer Agent	<b>Bigshare Services Private Limited</b> Office No. S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093,(Maharashtra) India E Mail ID: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Phones: 022-6263 8200
13.	Share Transfer System	All shares of the company in demat mode so the transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository.
14.	Dematerialisation of shares and liquidity	1,00,08,000 shares were held in dematerialised mode, as at March 31, 2022. The Company's equity shares are actively traded on NSE.
15.	Outstanding GDRs /ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	Not applicable
16.	Credit Rating	Not Applicable
17.	Plant Location	<b>SONAM CLOCK LIMITED</b> Survey No. 337/p, Morbi Rajkot Highway, Tal. Tankara, Dist. Morbi, Rajkot 363641(Gujarat) India
18.	Address of Correspondence	Survey No. 337/p, Morbi Rajkot Highway, Lajai, Tal. Tankara, Dist. Morbi, Rajkot 363641(Gujarat) India Email id: <a href="mailto:cs@sonamquartz.com">cs@sonamquartz.com</a> <a href="https://sonamquartz.com">Website: https://sonamquartz.com;</a>
19.	Compliance Officer / Company Secretary	Milankumar Sureshbhai Ganatra Survey No. 337/p, Morbi Rajkot Highway, Lajai,

		Tal. Tankara, Dist. Morbi, Rajkot 363641(Gujarat) India Email id: <a href="mailto:cs@sonamquartz.com">cs@sonamquartz.com</a>
20.	Bank details for Electronic Shareholding	Members are requested to notify their Depository Participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank account, including the MICR codes of their bank
21.	Payment of Listing Fees	Annual listing fee for the financial year 2022-23 has been paid by the Company to NSE.
22.	Change in Shareholders details / Investors Communication	As all Shares of the company in demat mode, communication regarding change in address, bank account details, change in nomination, dematerialisation of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number.
23.	Nomination Facility	It is in the interest of the shareholders to appoint nominee for their investments in the Company.

**MARKET PRICE DATA: HIGH/LOW DURING EACH MONTH OF 2021-22 ON THE FOLLOWING EXCHANGE:**

National Stock Exchange of India Limited			
MONTH	HIGH	LOW	VOLUME
April	64	62.5	9000
May	63	58	18000
June	58.45	58	9000
July	61	55.95	9000
August	65.15	63	18000
September	65.65	60	18000
October	66.3	66.15	9000
November	69	68	9000
December	73.05	70.95	9000
January	72	69	9000
February	71	68	9000
March	72.15	72	9000



**Distribution of Shareholdings by Ownership:**

Sr. No.	Category	No. of shareholders	No. of shares held	% to capital
1	Promoter & Promoters Group	9	7416000	74.1
2	Non Institutional Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	104	564000	5.64
3	Non Institutional Individual Shareholders holding Nominal Share Capital Above 2 Lac	27	1344000	13.43
4	Bodies Corporate	1	3000	0.03
5	Non Resident Indians	1	3000	0.03
6	Resident Indian HUF	11	273000	2.73
7	Clearing Members/House	1	405000	4.05
	<b>Total</b>	<b>154</b>	<b>10008000</b>	<b>100</b>

**Distribution of Shareholdings by Number of Shares Held:**

**Top ten equity shareholders of the Company as on March 31, 2022:**

Sr. No.	Name of the shareholders*	Number of equity shares held	Percentage of holding
1)	Jayeshbhai Chhabildas Shah	64,07,200	64.0208
2)	Jayesh Chhabildas Shah huf	4,80,400	4.8002
3)	Deepaben Jayeshbhai Shah	4,80,000	4.7962
4)	Arcadia Share And Stock Brokers Pvt Ltd-Proprietary A/C	4,05,000	4.0468
5)	Nileshkumar Suryakantbhai Ghoghani	1,05,000	1.0492

6)	Punamben Nileshkumar Ghoghan	1,02,000	1.0192
7)	Hetal Hardik Mithani	87,000	0.8693
8)	Chetna Milan Mithani	87,000	0.8693
9)	Mehul Mulvantrai Shah	84,000	0.8393
10)	Milan Jayvantlal Mithani(HUF)	84,000	0.8393

#### **DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company's shares are compulsorily traded in dematerialized form NSE. Equity shares of the Company representing 100 percent of the Company's equity share capital are dematerialized as on March 31, 2022. The International Securities Identification Number (ISIN) allotted to the Company's shares is INE00LM01011.

Particulars	As on 31 <sup>st</sup> March, 2022		As on 31st March, 2021	
	Number of shares	Percentage	Number of shares	Percentage
NSDL	204100	2.04	174100	1.74
CDSL	9803900	97.96	9833900	98.26
<b>Total</b>	<b>10008000</b>	<b>100</b>	<b>10008000</b>	<b>100</b>

#### **8. OTHER DISCLOSURES:**

Particulars	Statutes	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI (LODR) Regulations, 2015 and as defined under the Act	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2022 were in the ordinary course of business and at arms' length basis and were approved by the members of Audit Committee including Independent Directors.  The Board's approved policy for related party transactions is uploaded on the website of the Company	<a href="http://www.sonamquartz.com">www.sonamquartz.com</a>
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India or any statutory authority on	Schedule V (C) 10(b) to the SEBI (LODR) Regulations, 2015	Nil	

any matter related to capital markets during the last three financial years.			
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI (LODR) Regulations, 2015	The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	<a href="http://www.sonamqartz.com">www.sonamqartz.com</a>
Mandatory Requirements and Non-Mandatory Requirements	Schedule V (C) 10(d) to the SEBI (LODR) Regulations, 2015	<p>The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.</p> <p>The Company has complied with the following non mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:</p> <p>a. During the year under review, there was no audit qualification in the Company's financial statements.</p> <p>b. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.</p> <p>c. The Company follows a Effective process of communicating with the shareholders which has been elaborated in the Report under the Heading</p>	

		“Means of Communication” d. The Internal Auditors reports to the Audit Committee.	
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI (LODR) Regulations, 2015	The Company has adopted this policy.	www.sonamq uartz.com
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI (LODR) Regulations, 2015	The Company has adopted this policy.	www.sonamq uartz.com
Certificate from practicing company secretary	Schedule V (C) 10(i) of SEBI (LODR) Regulations, 2015	A certificate has been received from M/s. H. S. Mehta & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority and certificate attached in annexure-B	
Confirmation by the Board of Directors’ acceptance of recommendations of Committees	Schedule V (C) 10(j) of SEBI (LODR) Regulations, 2015	In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from all its Committees.	
Payment to statutory Auditor	Schedule V (C) 10(k) of SEBI (LODR) Regulations, 2015	The particulars of payment of Statutory Auditors’ fees, on consolidated basis for FY 2022 is given below: Statutory Audit Fees f. y. 2021-22: Rs. 1,50,000	

Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated December 31, 2002.	A practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	a. Number of complaints filed during the financial year -Nil b. Number of complaints disposed of during the financial year -Nil c. Number of complaints pending as on end of the financial year -Nil	
Disclosure by listed entity and its subsidiaries of ‘Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount	Schedule V (C) 10(m) of SEBI (LODR) Regulations, 2015	No Loans and advances in the nature of loans to firms/companies in which directors are interested.	
Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed	Schedule V (C) 10(11) of SEBI (LODR) Regulations, 2015	Nil	

Discretionary requirements	Schedule II Part E of the SEBI SEBI (LODR) Regulations, 2015	<ul style="list-style-type: none"> <li>• The Company has Executive Chairman.</li> <li>• The Company does not send Half-yearly financial performance to each shareholders, as it is displayed on Company's website;</li> <li>• The auditors' report on financial statements of the Company are unmodified.</li> <li>• Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.</li> </ul>	
The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report	Schedule V (C) 10(13) of SEBI (LODR) Regulations, 2015	Corporate Governance Compliance Certificate attached in Annexure-II	

**ANNEXURE-A**

**Certificate of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel**

As required under Regulation 17 read with Schedule V (D) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchange, I, Jayeshbhai Chhabildas Shah, Managing Director of Sonam Clock Limited, hereby declare that all the Members of Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulations 26(3) of SEBI (LODR) Regulations, 2015 for the year ended March 31, 2022.

Sd/-  
Jayeshbhai Chhabildas Shah  
Managing Director  
DIN:00500814

Date: 09.06.2022  
Place: Lajai

**ANNEXURE-B**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause 10) (i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members,  
Sonam Clock Limited,  
CIN: L33302GJ2001PLC039689  
Survey No. 337/p, Morbi Rajkot Highway,  
Lajai, Tal. Tankara, Dist. Morbi-363641

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sonam Clock Limited**, having **CIN L33302GJ2001PLC039689** and having registered office at Survey No. 337/p, Morbi Rajkot Highway, Lajai, Tal. Tankara, Dist. Morbi-363641(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with 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, amended from time to time.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Jayesh Chhabildas Shah	00500814	21/06/2001
2.	Deepaben Jayeshbhai Shah	01981533	21/06/2001
3.	Shreyansh Vijaybhai Vora	08034487	30/12/2017
4.	Jigar Dipakbhai Mehta	08051320	26/02/2018
5.	Suresh Somnath Dave	08111653	10/11/2021
6.	Harshil Jayeshbhai Shah	07230243	30/06/2020

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 the 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 H. S. Mehta & Associates,

Sd/-  
Hitesh S. Mehta  
Membership No.: 3973  
CP No:2471  
UDIN: F003973D000479877

Place: Ahmedabad  
Date: 09.06.2022

**ANNEXURE-II**  
**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

Nominal Capital: Rs. 10,00,80,000

To,  
The Members,  
Sonam Clock Limited,  
CIN: L33302GJ2001PLC039689  
Survey No. 337/p, Morbi Rajkot Highway, Lajai,  
Tal. Tankara, Dist. Morbi-363641

We have examined the compliance of conditions of corporate governance by Sonam Clock Limited for the year ended on 31<sup>st</sup> March 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the 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 our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19, we certify that the Company has complied with the mandatory conditions as stipulated in abovementioned Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchanges.

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

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For H. S. Mehta & Associates,  
Sd/-  
Hitesh S. Mehta  
Membership No.: 3973  
CP No:2471  
UDIN: F003973D000479888

Place: Ahmedabad  
Date: 09.06.2022

**ANNEXURE-III**  
**CERTIFICATE BY THE CFO OF THE COMPANY**

(As per Regulation 17(8) Part B of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015)

To,  
The Board of directors,  
The Sonam Clock Limited

I, Amitbhai Jamnadas Vaghajiyani, Chief Financial Officer of Sonam Clock Limited., to the best of our knowledge and belief certify that;

1. We have reviewed the Balance Sheet, Profit & Loss Account, its schedule and notes to accounts and cash flow statement for the year ended **31<sup>st</sup> March 2022** and that to the best of our knowledge and belief:

- (a) these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- (b) 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.

2. We also certify, 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 Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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.

4. We have indicated to the Auditors and the Audit Committee:-

- (a) significant changes in internal control over financial reporting during the year;
- (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
- (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Amitbhai Jamnadas Vaghajiyani  
Chief Financial Officer

Date: 09.06.2022

Place: Lajai

**ANNEXURE –IV**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
SONAM CLOCK LIMITED

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

Based on our verification of the SONAM CLOCK LIMITED (hereinafter called the company) 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 and as per the explanations given to us and representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by SONAM CLOCK LIMITED (hereinafter called the company) (“the Company”) for the financial year ended on 31<sup>st</sup> March, 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;

(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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2014 (Not applicable to the Company during Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during Audit Period);

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during Audit Period); and

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Other laws as applicable to the company as per the representations made by the management.

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

(i) Secretarial Standard issued by the Institute of Company Secretaries of India.

(ii) The listing agreement entered into by the company with National Stock Exchange.

3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except intimation regarding submission of application for re-classification from Promoter group to public by the listed entity to the stock exchanges. The Company submitted application regarding reclassification with stock exchange on 10<sup>th</sup> February, 2022 and due to oversight the intimation regarding submission of reclassification application was submitted with the stock exchange on 15<sup>th</sup> February, 2022 and there is no other malafied intention regarding delayed submission. Also the company submitted all the disclosure with stock exchange on time.

4. We further report that as far as we have able to ascertain –

-The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

-The compliance of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

-Adequate notice was given to directors in advance to schedule the Board Meetings, Agenda and notes on agenda 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 based upon notices shown to us.

-Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review and minutes of the meetings duly recorded and signed by the chairman as minutes shown to us.

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

7. The equity shares of the Company were listed at National Stock Exchange and migrated from NSE SME exchange to main board w.e.f. 7<sup>th</sup> April,2022.

Place: Ahmedabad

Date: 09.06.2022

UDIN: F003973D000479866

For, H. S. Mehta & Associates,

Sd/-

Hitesh S. Mehta  
Company Secretary  
FCS: 3973/C.P. No: 2471

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

**'Annexure A'**

**To,  
The Members,  
SONAM CLOCK LIMITED**

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

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.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

Based on copy of agenda, minutes and attendance register presented by Management, we have verified that notices were given and minutes have been properly recorded in the Minute Book and the same have been signed.

We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.

Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

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 procedure on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 09.06.2022  
UDIN: F003973D000479866

For, H. S. Mehta & Associates.

Sd/-  
Hitesh S. Mehta  
Company Secretary  
FCS: 3973/C.P. No: 2471

**ANNEXURE-V**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

• **OVERVIEW:**

We are a clock manufacturing Company situated in Morbi, Gujarat. We offer a wide range of table and wall clocks at various price points across budget, mid-level and premium styles. As on December 2021, we are offering clocks from a price range of Rs. 95 to Rs. 500 which includes LED digital clocks, LCD clocks, light sensor clocks, pendulum clocks, musical clocks, rotating pendulum musical clocks, sweep clocks, office clocks, designer clocks, alarm clocks, table clocks and regular clocks. We also offer customized corporate clocks in bulk quantities for corporate gifting purpose.

**ECONOMIC REVIEW**

• **GLOBAL ECONOMY:**

The COVID-19 pandemic and policy responses to it have continued to dominate global economic developments over the past year. Although the virus has followed a far more severe course than expected this time to last year, the global economy has performed slightly better. Around the world, households and firms have adapted to life with the virus, and although the pandemic is not over, economies have become more resilient. For the rest of 2021, supply constraints will continue to impinge on growth. Along with other transitory factors, these point to higher inflation rates for some time. However, globally there is still a lot of slack visible in data, which suggests that there remains both upside and downside inflation risk.

The slowdown in global growth from 2021 to 2022 could be sharper if the fast spread of Omicron overwhelms health systems and prompts a re-imposition of strict pandemic control measures in major economies. Omicron-driven economic disruptions could reduce global growth further this year - anywhere from 0.2 to 0.7 percentage point, depending on underlying assumptions. The associated dislocations could also aggravate supply bottlenecks and exacerbate inflationary pressures.

Global growth is expected to slow significantly in 2022, largely as a consequence of the war in Ukraine. A severe double-digit drop in GDP is expected in Ukraine due to fighting. A deep contraction is projected for Russia due to sanctions and European countries' decisions to scale back energy imports. The economic costs of war are expected to spread farther afield through commodity markets, trade, and—to a lesser extent—financial inter linkages. Fuel and food price rises are already having a global impact, with vulnerable populations—particularly in low-income countries—most affected.

(Source: IMF World Economic Outlook, April 2022)

• **INDIAN ECONOMY:**

India's economy is poised for a rebound after enduring a second wave of COVID-19 infections this year that further constrained activity and took a heavy toll on its people.

India's broad range of fiscal, monetary and health responses to the crisis supported its recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis, according to the latest annual review by IMF.

Though policy steps helped mitigate the pandemic, it's still likely to result in greater poverty and inequality. And the path of recovery will follow the path of the virus.

New infections have fallen significantly and vaccination rates have risen to surpass a billion doses, although another resurgence is not impossible even if it seems unlikely today. There's a lot of uncertainty about COVID. "We cannot rule out future waves."

- **COMPANY OVERVIEW:**

- Sonam Clock is one of the largest and leading clocks manufacturing Company in India. Company is well equipped with the world class technology and state-of-the-arts equipment which is strategically utilized by highly professional management team & the workforce from surrounding villages (Most of them are female workers) with the values of dedication, commitment and hard work the company as a team is climbing the ladder of success. At present, the company has a wide range of Clocks, LED digital clocks, LCD clocks, light sensor clocks, pendulum clocks, musical clocks, rotating pendulum musical clocks, sweep clocks, office clocks, designer clocks, alarm clocks, table clocks and regular clocks. We also offer customized corporate clocks in bulk quantities for corporate gifting purpose.
- We are ISO 9001:2008 accredited Company and we have grown many folds during the past decade under the leadership and guidance of our Promoter, Chairman and Managing Director, Mr. Jayeshbhai Chhabildas Shah, who has an experience of over 35 years in the field of clock industry. His expertise and experience has been instrumental in the growth of our business.
- The Company is listed in 2018 on NSE Emerge platform and is proud to announce its migration to Main Board dated 07<sup>th</sup> April, 2022 in 2022-23. Company's use of latest technology, machinery & efficient manpower i.e. highly professional management team & the workforce from surrounding villages with the values of dedication enables it to perform with immense degree of consistency in quality performance at various stages that contributes towards the making of final output. At present, the company has a wide range of Clocks, LED Clocks & Timepieces.
- Since last Twenty-One years "SONAM" has never looked back, and now become India's one of the largest customized clock producing company. In the field of Indian Clock Manufacturing industry "SONAM" is running "NECK to NECK" a winning track with its production capacity and strong marketing network.
- Sonam Clock's head office and production units are located in Lajai (Morbi), India.
- **Industry structure and development:** When looking at the modern-day clock and trying to understand the way we value time, it is important to examine the root of our modern timepieces. From the olden days, royal maharajas using the pocket watches to the current next-gen using smart watches and techno wearable devices, some Indian brands are attempting to take over international look & feel while retaining the age-old charm. Let's look at who is keeping time in the country.

Time and tide wait for none, goes the proverb. The adage fits well for the wall clock manufacturing industry. In an era dominated by fancy gadgets such as mobile phones and computing devices that also tell time, clock makers have turned to offer customized designer products amidst dwindling sales.

With an abundance of time-telling devices available, wall clocks have been able to retain their popularity by maintaining the utility value and basic efficiency. Traditional wall clock manufacturers have been forced to tweak the products and offer the same as the designer and attractive pieces with aesthetic value in homes, offices and other premises. The move says industry sources, is also a result of a shift in consumer preferences for such products. Modified products in the form of wooden and metal-built designer wall clocks, at times encrusted with gems and jewellery, are in demand

from customers. Customers consider such kind of wall clocks as adornments or décor pieces for their homes and offices and not just time telling machines.

Demand for usual design wall clocks has fallen significantly by 65per cent in the last couple of years. In order to maintain the clock business, all major players are now focusing on designer clocks even as demand for decorative wall clocks has gradually improved worldwide. The consumer perception of designer clocks is that people prefer to buy expensive looking clocks but at affordable prices. So, companies must design such decorative pieces consequently. When you look at your treasured timepiece – or perhaps its price tag – it's easy to recognize that it must have taken quite a bit of effort to produce. Below is the process which makes your timepieces more valuable and precious.

- **Concept and Design:** Before a company can start producing a watch, they need to come up with an idea; a concept that can be transformed into an actual design. Today, most watch manufacturers' use advanced CAD (Computer Aided Design) systems to design watches and all their components. A couple of brands use 3D printing techniques to look at patterns based on these computer designs. Others use real stainless steel for prototypes, sometimes with dummy movements or just basic calibers that fit. Do not underrate the role of research and development at this stage either. In some companies, it is all under one roof to make sure that a watch or movement design is achievable. Everything must perfectly correspond together, especially since the room for error in watch manufacturing is tiny.
- **Production:** Once a company is certain about how a watch should look and which designs it should have, the production can begin. The production process consists of several parallel processes. The case making department or third party, for example, does not have to wait until the movement is finished or the dial receives its final color or finish.
- **Movements:** A good manufacturer start their journey with raw pieces of brass, stainless steel, and other alloys used for the movement. CNC (Computerized Numerical Control) machines do the initial cutting, drilling, and milling of all the parts. Once this is finished, the parts pass through a chain of small steps, to either (hand-) finish certain parts or to add gears and trains until there is a working movement. Step-by-step, the movement gets finished and assembled by watchmakers. When the movement is finished and ready to be the case, it is often checked for accuracy.
- **Dial and Hands:** The dial and hands, or face of the watch, are very essential. This is what you will look at many times each day. These features need to be magnificent and flawless. Beauty is in the eye of the beholder, but perfectionism puts little room for understanding. Like (hand-) finishing movements, finishing is important for the dial and hands of a watch.
- **Assembly:** Before the movement is cased and the dials and hands are added to it, a lot of visual checks take place. Sometimes, pieces must go all the way back to the production process to be fixed. Hands are sometimes automatically applied to the dial, but in many cases, this is still done by hand. More visual checks take place to see

whether the hands are perfectly aligned. The crown is of course also added and tested to see if all the hands move correctly and whether the winding system works. Once the movement is cased, the dial is added, and everything is fully functional. When this is complete and a watch has passed all tests, it goes into the final stage of the assembly and production process. Some watches (case backs) are (laser) engraved in this stage, while other manufacturers do this a bit earlier during case production. If so, the strap or bracelet is added, and the watch is ready.

If we go by the olden times, earlier the watches were only needed to track time, but with the growing demand, today consumers want more than just a normal watch. Technology is playing a bigger role in the watch industry. Traditionally, the smart watches were a fad with fitness enthusiasts and athletes who focused on keeping a track of their health and workouts. Gradually, the acceptance among the Indian audience has stepped up with a category of consumers who demand more than just functionality. Catering to this category means infusing a sense of desirability into the products. The aim is to offer a product that is complete and makes a strong statement when worn. Acceptability of these can be further pushed with advancements in product features. The consumer demands the usability of a fitness tracker to go beyond his gym or yoga class. The need of the hour is to offer appealing timepieces that become an ingrained piece of one's lifestyle.

- **To promote the brand development strategy:** Further enhance the degree of attention to independent wall clock brand we are building, brand development strategy. One is to strengthen brand awareness, the formation of internal personnel and all processes, promote all-round good atmosphere brand building, and implemented in capital investment, human resources and so on. The second is the development of independent brand development strategy, according to their own characteristics and operational objectives, a clear market positioning, choice of personalized, differentiated brand development model. The third is to enhance brand management capabilities, encourage enterprises to establish brand management, the establishment of practical brand management mechanism, the implementation of brand management, foster cultural brand, and brand value. Fourth, explore the establishment of the whole process of intellectual property management system, scientific layout and effective use of intellectual property. Fifth, improve the brand evaluation method, the establishment of the wall clock brand value measurement index system, to enhance the brand value and provide guidance support. Sixth, actively carry out the work of brand promotion, integrated use of various types of brand communication channels publications, networks, mobile terminals, effectively increasing the wall clock brand.

#### **OPPORTUNITIES:**

The government is introducing several reforms to create possibilities for getting Foreign Direct Investment (FDI) and foster business partnerships, in this regards our company trying to focus on "**MAKE IN INDIA**" for all type of Raw material and other material used for wall clock and time piece. Moreover, our centre of attention is to increase the export of all type of clock and clock parts. In present time Sonam Clock Limited has covered 70% of market in sale of Movements in domestic and foreign market. By this way our company is generating employment and using internal resource via purchasing power.

**OUR MAJOR PRODUCTS:**

The clocks manufactured by us are marketed and sold under our brand names of “Sonam”, “Lotus”, “LEXY” and “ampm”. Our range of clocks can be broadly classified into following categories: -

S. No.	Category	Products	Specifications
1	Rotating Pendulum Musical Clock		<ul style="list-style-type: none"><li>- Price range Rs. 900 to 1530</li><li>- Melodious Tunes</li><li>- 360° Rotating Pendulum</li><li>- Standard Size: 490 x 285 mm</li></ul>
2	Pendulum Musical Clock		<ul style="list-style-type: none"><li>- Price range Rs. 855 to 1215</li><li>- Melodious Tunes</li><li>- Swinging Pendulum</li><li>- Standard Size: 500 x 290 mm</li></ul>
3	Rotating Musical Clock		<ul style="list-style-type: none"><li>- Price range Rs. 855 to 990</li><li>- Melodious Tunes</li><li>- Standard Size: 430 x 290 mm</li></ul>
4	Pendulum Clock		<ul style="list-style-type: none"><li>- Price range Rs. 405 to 785</li><li>- Swinging Pendulum</li><li>- Standard Size: 490 x 310 mm</li></ul>
5	Musical Clock		<ul style="list-style-type: none"><li>- Price range Rs. 695</li><li>- Melodious Tunes</li><li>- Standard Size: 338 x 298 mm</li></ul>
6	Light Sensor Clock		<ul style="list-style-type: none"><li>- Price range Rs. 630</li><li>- Standard Size: 360 x 360 mm</li></ul>
7	LCD Clock		<ul style="list-style-type: none"><li>- Price range Rs. 990 to 1575</li><li>- Standard Size: 445 x 445 mm</li></ul>

8	LED Digital Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 900 to 4500</li> <li>- Standard Size: 370 x 250 mm</li> </ul>
9	Sweep Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 450 to 1485</li> <li>- Standard Size: 400 x 400 mm</li> </ul>
10	Sweep Office Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 425 to 2070</li> <li>- Standard Size: 610 x 610 mm</li> </ul>
11	Office Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 325 to Rs. 1280</li> <li>- Standard Size: 400 x 400 mm</li> </ul>
12	Designer Clocks		<ul style="list-style-type: none"> <li>- Price range Rs. 395 to 810</li> <li>- Standard Size: 515 x 330 mm</li> </ul>
13	Classy Dial Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 205 to 520</li> <li>- Standard Size: 320 x 320 mm</li> </ul>
14	Regular Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 175 to 990</li> <li>- Standard Size: 355 x 355 mm</li> </ul>
15	Diamond Series Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 205 to 315</li> <li>- Standard Size:- 290 x 290 mm</li> </ul>

16	Picture Dial Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 175 to 450</li> <li>- Standard Size: 320 x 320 mm</li> </ul>
17	Economy Clock		<ul style="list-style-type: none"> <li>- Price range Rs. 135 to 195</li> <li>- Standard Size: 260 x 260 mm</li> </ul>
18	Alarm Timepiece		<ul style="list-style-type: none"> <li>- Price range Rs. 135 to 430</li> <li>- Standard Size: 95 x 127 mm</li> </ul>
19	Corporate Clock		<ul style="list-style-type: none"> <li>- Price as per order requirement of Customer.</li> <li>- Standard Size: 413 x 413 mm</li> </ul>

### **INDUSTRY OVERVIEW:**

Global Industrial activity continued to be affected by the disruptions caused by the COVID-19 pandemic. While the Indian industry was no exception to these disruptions, its performance has improved in 2021-22. Gradual unlocking of the economy, record vaccinations, improvement in consumer demand, continued policy support towards industries by the government in the form of Atma Nirbhar Bharat Abhiyan and further reinforcements in 2021-22 have led to an upturn in the performance of the industrial sector. The growth of the industrial sector, in the first half of 2021-22, was 22.9 percent vis a vis the corresponding period of 2020-21 and is expected to grow by 11.8 percent in this financial year. According to RBI- Studies on Corporate Performance, which is based on the results of select listed companies in the private corporate sector, the net profit to sales ratio of large corporates reached an all-time high despite the pandemic. Buoyant FDI inflows amid improvements in overall business sentiments, foretells a positive outlook for the industry.

The recovery of the industrial sector, positive business expectations propelled by extensive reforms and improved consumer demand, suggests that further improvements in the industrial performance can be expected.

(Source: Indian Economic Survey, 2021)

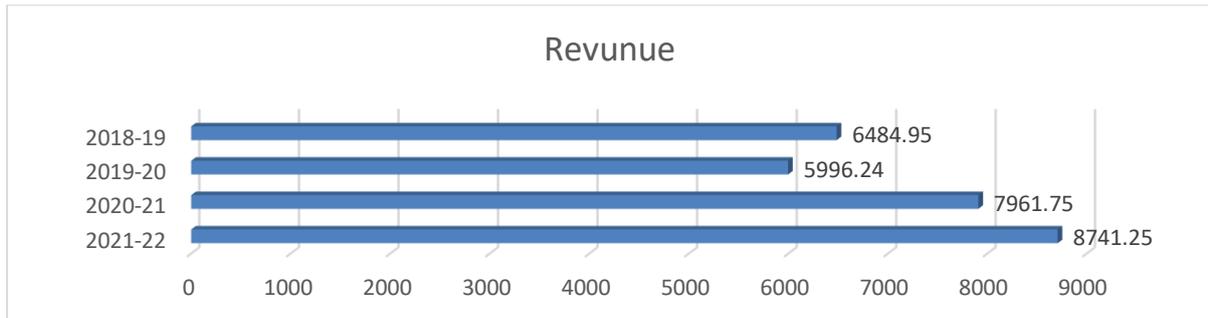
### **FUTURE OUTLOOK:**

The company is looking after diversifying its business into manufacturing of different products related to same line in future with providing various different products with different and attractive features, being different in market one should add uniqueness in product to survive in market. This will reduce the dependency on one product and its overseas market. The group will make optimum utilization of its existing infrastructure facilities which are already designed for many prospects.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

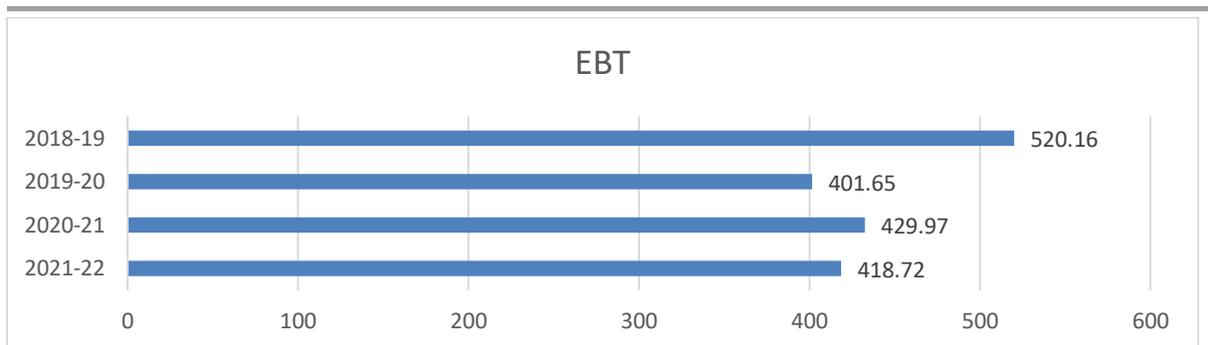
• **REVENUE FROM THE OPERATIONS:**

Revenue of the Company was Rs. 8741.25 Lakhs in Financial Year 2021-22 as compared to Rs. 7961.75 Lakhs in the previous year 2020-21, which represented the remarkable growth of around 9.80 %.



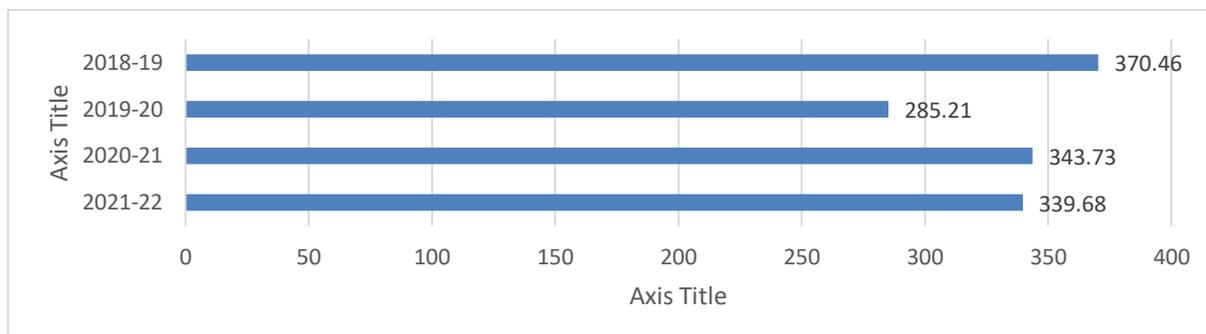
• **EARNING BEFORE TAX:**

Profit Before Tax of the Company had reached to Rs. 418.72 Lakhs in Financial Year 2021-22 as compared to Rs. 429.97 Lakhs in the previous year 2020-21.



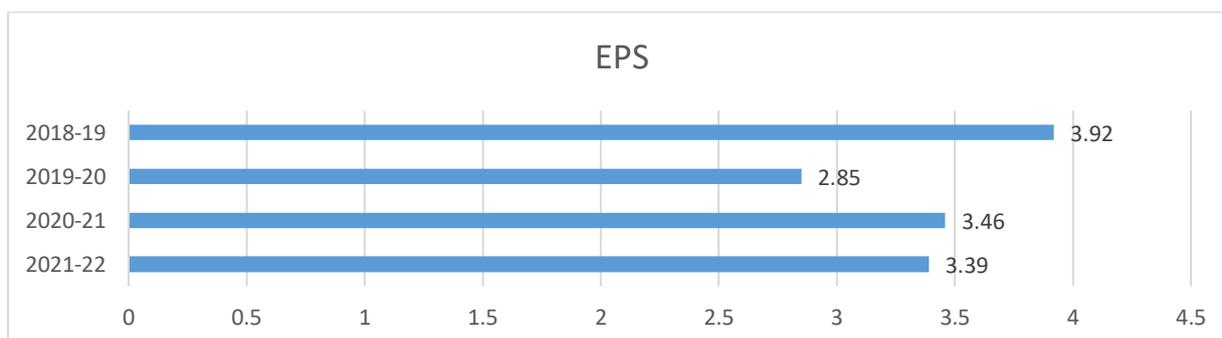
- **NET PROFIT:**

Net Profit of the Company had reached to Rs.339.68 Lakhs in Financial Year 2021-22 as compared to Rs. 343.73 Lakhs in the previous year 2020-21, which represented the decline of around 3 %.



- **EARNING PER SHARE:**

EPS for Financial Year 2021-22 has also remarkably up to 3.39 from 3.46 in Financial Year 2020-21.



**SEGMENTWISE OR PRODUCTWISE PERFORMANCE:**

The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable. There is no separate segment or product. The company has its product in business segment as Manufacturing & sale of Horological items, clocks, clock movements and related items.

**RISK AND CONCERN:**

The Company is exposed to several Internal & External Risks, potential risks like technological changes, political risks, product distribution both from internal and external sources. To ensure our long- term corporate success, it is essential to identify, analyse and mitigate risk by appropriate control measures.

The Company is also exposes to foreign currency risks. The change in the exchange rate between foreign currency and the Indian Rupee may have negative impact on the Company's result and financial condition. The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods. The Company apart from passing the cost to end user also manages these risks in inventory management and storage etc.

Traditionally, there has seen bulk production of emulsion-based wall clock industry, while customized products tend to be in small quantity. Most of the clock manufacturers being small and medium, bulk

production of customized metal and wood based products were not viable. However, recent changes in trend in wall clocks has led to some of the players attempt bulk offering of high-valued designer clocks to corporate it will be change from time to time. People prefer to buy designer clocks that look expensive at affordable prices. So we have to design such decorative pieces accordingly. Sales of designer clocks have grown gradually in the last three years but there are Number of manufacturers has decreased even as the business becomes unviable for smaller players and design may become outmoded within small time span.

#### **HUMAN RESOURCES:**

Your Company's Industrial relations continued to be harmonious during the year under review. Employees form the greatest source for any company's success and growth. They are evaluated based on their strengths, potential to achieve and determination to grow head. Learning and being innovative is a very important aspect for every employee and the company recommends employees to continue learning from within the company's framework by contributing and constantly exploring new innovative ideas for the upliftment of the organization. Our company has employed more than 100 women in the department working since long time. Company provides various facilities to all the employees of company.

It is the belief of the management that it is very important to motivate the employees and encourage them to take decisions and initiatives towards the betterment of their work. The Company encourages and provides them a safe and motivating work environment. Furthermore, various training and educational seminars and events are organized with proper emphasis given on health and safety issues. The Company has always followed process of appraisal from time to time, to recognize talents and ensure that employees remain devoted to the organization for a long term.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is in grained into the management review process.

The Board has adopted policies and procedures for ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastage and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. The Board has constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records and accordingly appropriate actions are taken by the management. The significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

**ANALYTICAL RATIOS:**

Particulars	FY 2022	FY 2021	% Variance	YOY Change
Return on Equity (%)	7.35%	8.68%	-15.30%	-1.33%
Net capital turnover ratio (times)	8.41	7.30	15.13%	1.11
Return on capital employed (%)	13.16%	13.57%	-3.05%	-0.41%
Debt equity ratio (times)	0.30	0.34	-10.39%	-0.04
Inventory turnover ratio (times)	4.04	4.38	-7.66%	-0.34
Trader receivable turnover ratio (times)	12.30	8.27	48.76%	4.03
Trade payable turnover ratio (times)	15.25	13.28	14.81%	1.97
Net profit ratio (%)	3.89%	4.32%	-9.99%	-0.43%
Return on investment (%)	7.39%	8.15%	-9.33%	-0.76%

There was an Increase in Trade receivable turnover ratio and major ratios decline mainly due to outbreak of COVID-19 pandemic Second Wave in the early quarters of 2021-22.

**DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company adopted Indian accounting standard (“Ind As”) prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2021 the company has for the first time adopted INDA AS with the transition date of April 1, 2020.

**CAUTIONARY STATEMENT:**

Certain statements in the reports of the Board of Directors and Management’s Discussions and Analysis may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied depending upon economic conditions, Government policies and other incidental factors. Taxation laws, economic development, cost of raw materials, interest and power cost are the few extraneous variables that influence the Company’s operations.

Registered Office:  
Survey No. 337/p, Morbi  
Rajkot Highway, Lajai, Tal.  
Tankara, Dist. Morbi-363641

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 09.06.2022  
Place: Lajai

Sd/-  
Jayeshbhai C. Shah  
Chairman & Managing  
Director  
DIN: 00500814

Sd/-  
Deepaben J. Shah  
Whole-Time Director  
DIN: 01981533

**ANNEXURE-VI TO BOARD'S REPORT**  
**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 arm's length transaction under third proviso thereto.

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

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:** All the transactions were entered by the Company in ordinary course of business and were in arm's length basis:

<b>Name of Related Party</b>	<b>Nature of relationship</b>	<b>Nature of Contract / agreement / transactions</b>	<b>Duration of contracts / agreements / transactions</b>	<b>Salient terms of contracts or agreements, or transactions including the value, if any</b>	<b>Date(s) of approval by the Audit committee, if any:</b>	<b>Amount paid as advances, if any:</b>
Sonam Tradelink LLP	Entities Significantly influenced by relative of Director	Purchase of goods	-----	-----	05.04.2021	-----
Sonam Tradelink LLP	Entities Significantly influenced by Director	Sales of goods	-----	-----	05.04.2021	-----
Sonam Tradelink LLP	Entities Significantly influenced by relative of Director	Commission Expense	-----	-----	05.04.2021	-----
Sonam Tradelink LLP	Entities Significantly influenced by relative of Director	Annual Discount on sale	-----	-----	05.04.2021	-----

Jayeshbhai Shah	Managing Director	Rent Paid	-----	-----	05.04.2021	-----
Deepaben Shah	Whole time Director	Rent Paid	-----	-----	05.04.2021	-----

(1) The Company has entered into contracts or arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013. However, all such transactions are entered into in the ordinary course of business and in the option of the Board all such transaction are at arm's length. Accordingly, by virtue of third proviso to Section 188(1) of the Act, no approval of the Board or General Meeting as referred to in Section 188(1) and its first proviso is required for such transactions. However, as part of good corporate governance, all related party transactions covered under section 188 of the Act are approved by the Audit committee.

Registered Office:  
Survey No. 337/p, Morbi Rajkot  
Highway, Lajai, Tal. Tankara,  
Dist. Morbi-363641

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 09.06.2022  
Place: Lajai

Sd/-  
Jayeshbhai C. Shah  
Chairman & Managing  
Director  
DIN: 00500814

Sd/-  
Deepaben J. Shah  
Whole-Time Director  
DIN: 01981533

## ANNEXURE-VII

### **DISCLOSURE UNDER SECTION 197(12), READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014].**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22.

#### **A. Remuneration of Whole-Time Directors & Managing Director:**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Remuneration (Rs. In Lacs)</b>	<b>Ratio of remuneration to Median Remuneration of the employees</b>	<b>% increase in Remuneration in year ended 31<sup>st</sup> March 2022</b>
1	Jayeshbhai Chhabildas Shah, Chairman & Managing Director	Rs.75.60	76.73:1	Nil (% increase calculated comparing f. y. 2019-20 remuneration as no remuneration paid during 2020-21)
2	Deepaben Jayeshbhai Shah, Whole-Time Director	Rs.75.60	76.73:1	14.55% (% increase calculated comparing f. y. 2019-20 remuneration as no remuneration paid during 2020-21)

#### **B. Remuneration of Non-Executive Directors:**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Remuneration (Rs. In Lacs)</b>	<b>Ratio to MRE of the employees</b>	<b>% increase in Remuneration in year ended 31<sup>st</sup> March 2022</b>
3	Harshil Jayeshbhai Shah	Non-Executive Director	Rs. 21.60	21.92:1	--

**C. Remuneration to Key Managerial Personnel:**

Sr. No.	Name of Director	Designation	Remuneration (Rs. In Lacs)	% increase in Remuneration in year ended 31 <sup>st</sup> March 2022
4	Amitbhai Jamnadas Vaghajiyani	CFO	Rs. 6.00	--
5	Milankumar Sureshbhai Ganatra	Company Secretary & Compliance Officer	Rs. 3.60	50%

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year is as mentioned above.

3. The percentage increase in the median remuneration of employees in the financial year 2021-22 is 10% approx.

4. The number of permanent employees on the rolls of Company in the financial year 2021-22 are 168 Employees

5. The average increase in employee was appx. 10%. The increase in remuneration is line with market trends in respective countries. In order to ensure that remuneration reflects the Company's performance. the performance pay is also linked to organization performance and individual utilization in addition to individual performance. Increase in the managerial remuneration for the year was 14.55 %.

6. The company affirms that the remuneration is as per the remuneration policy of the Company.

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Tankara, Dist. Morbi-363641

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 09.06.2022  
Place: Lajai

Sd/-  
Jayeshbhai C. Shah  
Chairman & Managing  
Director  
DIN: 00500814

Sd/-  
Deepaben J. Shah  
Whole-Time Director  
DIN: 01981533

## **INDEPENDENT AUDITOR’S REPORT**

### **TO THE MEMBERS OF ‘SONAM CLOCK LIMITED’**

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **SONAM CLOCK LIMITED** (**‘the Company’**), which comprises the Balance Sheet as at 31st March, 2022; the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and accounting principles generally accepted in India, to the extent applicable; of the state of affairs of the Company as at 31st March, 2022; its Profit including Other Comprehensive Income, its Cash Flows and the Statement Changes in Equity for the year ended on that date

#### **Basis for Opinion**

We conducted our audit of the 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 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, are 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.

Based on our audit of Financial Statements of the Company for the period under review, we did not come across any material Key Audit Matters to be communicated in our report.

## **Information Other than the 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 Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

## **Management's Responsibility for the 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 statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Section 143(3) of the Act, based on our audit 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, including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
  - 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 A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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. There were no pending litigations which would impact the financial position of the Company, except for litigation as referred to **Note 24(15) (ii)** to the financial statements.
  - ii. The Company has made all material provisions, except as mentioned in the notes to accounts, if any, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For, SVK & Associates**

Chartered Accountants

FRN: 118564W

**Sd/-**

**Shilpang V. Karia**

Partner

M. No. 102114

UDIN: 22102114AJREAG8389

Date: 26<sup>th</sup> May, 2022

Place: Morbi

## SONAM CLOCK LIMITED

### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Sonam Clock Limited** of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting 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 **SONAM CLOCK LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

## **SONAM CLOCK LIMITED**

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

### **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.

## SONAM CLOCK LIMITED

### Opinion

In our opinion, to the best of 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, SVK & Associates**

Chartered Accountants

FRN: 118564W

Sd/-

**Shilpang V. Karia**

Partner

M. No. 102114

UDIN: 22102114AJREAG8389

Date: 26<sup>th</sup> May, 2022

Place: Morbi

## SONAM CLOCK LIMITED

### ANNEXURE – “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our Report to the Members of SONAM CLOCK LIMITED of even date)

i. FIXED ASSETS:

- a. (A) In our opinion, the company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.  
(B) Since the company does not have any intangible assets during or as at end of the year, the provisions of this sub-clause are not applicable to the company.
- b. As explained to us, the Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As further explained to us, pursuant to the said program, certain fixed assets were physically verified by the management during the year. According to the said information and explanations given to us, 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 conveyance deeds / registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d. According to the information and explanations given to us, the records examined by us and also based on the examination of the books of accounts of the company, we report that, during the year ended 31<sup>st</sup> March, 2022, the company has revalued its land and buildings which were previously revalued on 31<sup>st</sup> March, 2021 and also on Ind AS transition date 1<sup>st</sup> April, 2020, based on the valuation by registered valuer. The same has resulted in upward change of Rs. 235.36 Lacs (20.87%) in case of Factory Land and the change in building is less than 10% of its carrying value.
- e. According to the information and explanations given to us by the management of the company, any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause (i)(e) of the Order is not applicable.

ii. INVENTORIES:

- a. According to the information and explanation given to us, the inventories have been physically verified during the year by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. Further, according to the information and explanation given to us as explained to us, no

## **SONAM CLOCK LIMITED**

material discrepancies were noticed on physical verification of inventories as compared to the book records.

- b. The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns and statements comprising stock and creditors statements, book debt statements and other stipulated financial information filed by the Company with such bank are not having material difference with the unaudited books of account of the Company, of the respective quarters and those differences are of explainable in nature on account of valuation, provisions, foreign exchange gain loss, etc. Further, on account of above, the drawing power of the company as at respective quarters is not being materially affected.
- iii. **INVESTMENTS, LOANS, ADVANCES IN THE NATURE OF LOAN, GUARANTEE OR SECURITY:**  
According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs, or any other parties, during the year under review. Consequently, the provisions of clause (iii) of the order are not applicable to the company.
- iv. **LOANS, INVESTMENTS & GUARANTEES:**  
According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans directly or indirectly to any directors or person or entities in which directors are interested; has not made any investments or has not given any guarantee for loans taken by others from any bank or financial institutions. Consequently, the provisions of clause (iv) of the order are not applicable to the company.
- v. **DEPOSITS:**  
In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance and Deposits) Rules, 2014, as amended, with regard to deposit accepted by the Company from the public or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. **COST RECORDS:**  
According to the information and explanations provided by the management to us and to the best of our knowledge, the Company is not engaged in production of any such goods or production of any such

## SONAM CLOCK LIMITED

services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence the provisions of section 148(1) of the Act do not apply to the Company.

vii. **STATUTORY DUES:**

- a. As per information and explanation available to us, undisputed statutory dues including provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues have been generally regularly deposited with the appropriate authorities, applicable to it, though there had been some delays in certain cases. Further according to information explanation given to us, No undisputed statutory dues applicable to the company were outstanding as at 31<sup>st</sup> March, 2022 for a period of more than 6 months from the date they become payable.
- b. According to the information and explanation available to us, there are no dues outstanding on account provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues on account of dispute except as mentioned below:

Sr. No.	Name of the statute	Nature of dues	Amount under dispute (Rs. In lacs)	Period to which amount relates	Forum where dispute is pending	Amount Paid under Protest (Rs. In Lacs)
1	Gujarat Value Added Tax Act, 2003	Tax + applicable interest and penalty	82.53	FY 10-11	Commissioner Appeals, Commercial Tax Department	2.00
2	Gujarat Value Added Tax Act, 2003	Tax + applicable interest and penalty	27.78	FY 16-17	Commissioner Appeals, Commercial Tax Department	3.73
3	Gujarat Value Added Tax Act, 2003	Tax + applicable interest and penalty	47.83	FY 17-18	Commissioner Appeals, Commercial Tax Department	2.56

viii. **UNRECORDED INCOME:**

According to the information and explanations given to us, the Company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **DUES TO LENDER OF FINANCE:**

- a. Based on our audit procedures and as per information and explanation given to us by the management of the company, we are of the opinion that company has not defaulted in repayment of dues

## **SONAM CLOCK LIMITED**

to financial institutions or banks or any other lenders during the year under review. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.

- b. According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared willful defaulter by any bank or financial institution or other lender.
  - c. According to the information and explanations given to us and on the basis of the books and records examined by us, the term loans taken during the year have been applied for the purposes for which those were obtained.
  - d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes
  - e. Since the company does not have any subsidiary or associate company, reporting requirements related to funds borrowed from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, as per sub-clause (e) are not applicable.
  - f. Since the company does not have any subsidiary or associate company, reporting requirements related to loans raised during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as per sub-clause (f) are not applicable.
- x. **PUBLIC ISSUE, PREFERENTIAL ALLOMENT / PRIVATE PLACEMENT**
- a. In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer during the year. Consequently, the provisions of sub-clause (a) of clause (x) of the order are not applicable to the company
  - b. Based on the audit procedures performed and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under review. Consequently, the provisions of sub-clause (b) of clause (x) of the order are not applicable to the company.
- xi. **FRAUD:**
- a. Based upon the audit procedures performed and as per the information and explanation given by the management, we report that no fraud by the company or any fraud on the company by its officers / employees has been noticed or reported during the course of our audit.
  - b. According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

## **SONAM CLOCK LIMITED**

- c. As represented to us by the management, the Company has not received any whistle-blower complaint during the year and upto the date of this report.
  
- xii. **NIDHI COMPANY:**  
In our opinion, the company is not a Nidhi Company. Consequently, the provisions of clause (xii) of the order are not applicable to the company.
  
- xiii. **RELATED PARTY TRANSACTIONS:**  
Based upon the audit procedures performed and as per the information and explanation given by the management, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and have been duly disclosed in the financial statements, as required by the applicable accounting standards.
  
- xiv. **INTERNAL AUDIT**
  - a. According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
  - b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
  
- xv. **NON-CASH TRANSACTIONS:**  
Based on the audit procedures performed and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected to its directors. Consequently, the provisions of clause (xv) of the order are not applicable to the company.
  
- xvi. **REGISTRATION UNDER SECTION 45-IA OF RBI ACT, 1934:**
  - a. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
  - b. According to the information and explanations given to us and based on our examination of the records of the company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c. According to the information and explanations given to us and based on our examination of the records of the company, the company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d. According to the information and explanations given to us, the company does not have any Core Investment Company (CIC). Consequently, the provisions of sub-clause (d) of clause (xvi) of the order are not applicable to the company.

## SONAM CLOCK LIMITED

xvii. CASH LOSSES:

Based on the audit procedures performed, we report that the company has not incurred any cash losses during the financial year under review and also in the immediately preceding financial year.

xviii. RESIGNATION BY STATUTORY AUDITORS:

There has been no resignation by the statutory auditors of the Company during the year. Consequently, the provisions of clause (xviii) of the order are not applicable to the company.

xix. MATERIAL UNCERTAINTY OF MEETING LIABILITIES FALLING DUE IN ONE YEAR:

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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. TRANSFER OF UNSPENT AMOUNT TO SPECIFIED FUND:

According to the information and explanations given to us and based on the audit procedures performed, the company is not required to transfer any unspent amount with regards to on-going projects to a Fund specified Schedule VII of the companies act, 2013.

xxi. QUALIFICATIONS OR ADVERSE REMARKS IN AUDIT REPORTS OF COMPANIES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS:

Since the consolidated financial statements are not applicable to the company, reporting requirements clause (xxi) are not applicable

**For, SVK & Associates**

Chartered Accountants

FRN: 118564W

Sd/-

**Shilpang V. Karia**

Partner

M. No. 102114

UDIN: 22102114AJREAG8389

Place: Morbi

Date: 26<sup>th</sup> May, 2022

## SONAM CLOCK LIMITED

## BALANCE SHEET AS AT 31st MARCH 2022

Amt. (Rs. In Lacs)

PARTICULARS	Note No.	As At 31st March 2022 Rupees	As at 31st March 2021 Rupees	As at 1st April, 2020 Rupees
<b>I. ASSETS :</b>				
<b>1. NON-CURRENT ASSETS :</b>				
(a) Property, Plant & Equipment	3	5,246.06	4,621.30	2,303.31
(b) Capital Work In Progress		165.56	28.85	1,286.60
(c) Right of Use Assets		-	1.28	1.29
<b>Sub Total</b>		<b>5,411.62</b>	<b>4,651.42</b>	<b>3,591.20</b>
<b>Other Non Current Assets</b>				
(a) Long Term Loans & Advances	4	8.66	21.40	21.90
(b) Other Non Current Assets	5	3.42	3.64	2.47
<b>Sub Total</b>		<b>12.07</b>	<b>25.03</b>	<b>24.37</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,423.69</b>	<b>4,676.45</b>	<b>3,615.56</b>
<b>2. CURRENT ASSETS :</b>				
Inventories	6	2,481.89	1,824.52	1,787.77
<b>Sub Total</b>		<b>2,481.89</b>	<b>1,824.52</b>	<b>1,787.77</b>
<b>Financial Assets</b>				
(a) Trade Receivables	7	543.63	877.54	1,048.11
(b) Cash and Cash Equivalents	8	20.00	31.61	17.53
<b>Sub Total</b>		<b>563.63</b>	<b>909.16</b>	<b>1,065.64</b>
<b>Other Current Assets</b>				
(a) Short-term Loans and Advances	9	602.48	950.27	446.28
(b) Other Current Assets	10	39.91	40.23	38.31
<b>Sub Total</b>		<b>642.39</b>	<b>990.51</b>	<b>484.59</b>
<b>TOTAL CURRENT ASSETS</b>		<b>3,687.91</b>	<b>3,724.18</b>	<b>3,337.99</b>
<b>TOTAL ASSETS</b>		<b>9,111.60</b>	<b>8,400.63</b>	<b>6,953.55</b>
<b>II. EQUITY AND LIABILITIES :</b>				
<b>EQUITY</b>				
Equity Share Capital	11	1,000.80	1,000.80	1,000.80
Other Equity	12	3,824.07	3,419.41	2,502.79
<b>Equity attributable to Owners</b>		<b>4,824.87</b>	<b>4,420.21</b>	<b>3,503.59</b>
<b>TOTAL EQUITY</b>		<b>4,824.87</b>	<b>4,420.21</b>	<b>3,503.59</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES :</b>				
<b>Financial Liabilities</b>				
- Borrowings	13	984.82	1,032.72	829.72
<b>Sub Total</b>		<b>984.82</b>	<b>1,032.72</b>	<b>829.72</b>
Deferred tax liabilities (Net)	14	435.14	414.71	211.04
Other Non Current Liabilities	15	31.27	36.29	24.84
<b>Sub Total</b>		<b>466.41</b>	<b>451.00</b>	<b>235.87</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,451.23</b>	<b>1,483.73</b>	<b>1,065.59</b>
<b>CURRENT LIABILITIES :</b>				
<b>Financial Liabilities</b>				
(a) Short-Term Borrowings	16	1,999.00	1,892.16	1,561.84
(b) Trade Payables	17	621.56	322.03	612.42
<b>Sub Total</b>		<b>2,620.57</b>	<b>2,214.20</b>	<b>2,174.26</b>
Provisions	18	1.50	1.50	1.13
Employee Benefit Obligations	19	50.30	60.12	54.18
Current Tax Liabilities	20	91.27	99.07	102.09
Other Current Liabilities	21	71.87	121.81	52.71
<b>Sub Total</b>		<b>214.94</b>	<b>282.50</b>	<b>210.10</b>
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,835.51</b>	<b>2,496.70</b>	<b>2,384.36</b>
<b>TOTAL LIABILITIES</b>		<b>4,286.73</b>	<b>3,980.42</b>	<b>3,449.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,111.60</b>	<b>8,400.63</b>	<b>6,953.55</b>
<b>Accompanying Notes forming part of the Financial Statements</b>	1 to 29			
As per our report of even date attached <b>FOR, SVK &amp; ASSOCIATES</b> Chartered Accountants Firm Reg. No. 118564W		On behalf of the Board of Directors <b>For SONAM CLOCK LTD.</b>		
Sd/- <b>Shilpang V. Karia</b> Partner M. No. 102114 UDIN: 22102114AJREAG8389	Sd/- <b>Jayeshbhai C. Shah</b> Chairman & MD DIN : 00500814	Sd/- <b>Deepaben J. Shah</b> Whole Time Director DIN : 01981533		
Place : Morbi Date : 26th May, 2022	Sd/- <b>Amitbhai J. Vaghjiyani</b> Chief Financial Officer	Sd/- <b>Milankumar Ganatra</b> Company Secretary		

**SONAM CLOCK LIMITED**

<b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022</b>			
Amt. (Rs. In Lacs)			
PARTICULARS	Note No.	For the Year 31st March 2022 Rupees	For the Year 31st March 2021 Rupees
<b>I. Revenue from Operation</b>	22	8,741.25	7,961.75
<b>II. Other Income</b>	23	52.00	10.36
<b>III. Total Revenue ( I + II )</b>		<b>8,793.25</b>	<b>7,972.11</b>
<b>IV. Expenses:</b>			
1. Cost of Materials and Stores Consumed	24	3,753.25	2,241.60
2. Purchases of Stock-in-Trade	-	3,443.04	3,652.66
3. Changes in Inventories of Finished Goods, Work-inprocess and Stock-in-trade	25	(659.86)	274.00
4. Employee Benefits Expenses	26	608.20	495.42
5. Financial Costs	27	228.44	195.84
6. Depreciation and Amortization Expenses	3	228.20	156.32
7. Other Expenses	28	773.27	523.68
<b>Total Expenses</b>		<b>8,374.53</b>	<b>7,539.52</b>
<b>V. Profit Before Exceptional and Extraordinary Items and Tax ( III - IV )</b>		418.72	432.59
VI. Exceptional Items		-	2.63
VII. Profit Before Extraordinary Items and Tax ( V - VI )		418.72	429.97
VIII. Extraordinary Items		-	-
<b>IX. Profit Before Tax ( VII - VIII )</b>		<b>418.72</b>	<b>429.97</b>
X. <u>Tax Expenses:</u>			
(1) Current tax - Pertaining to Current Year		91.27	99.07
(2) Current tax - Pertaining to Prior Year		(0.74)	(1.72)
(3) Deferred Tax		(11.49)	(11.11)
		<b>79.03</b>	<b>86.24</b>
<b>XI. Profit(Loss) for the period (IX - X)</b>		<b>339.68</b>	<b>343.73</b>
<b>Other Comprehensive Income, net of income tax</b>			
a) i) items that will not be reclassified to profit and loss		-	-
ii) income tax relating to items that will not be reclassified to profit and loss		-	-
b) i) items that will be reclassified to profit and loss		-	-
ii) income tax relating to items that will be reclassified to profit and loss		-	-
<b>XII. Total Other Comprehensive Income, net of income tax</b>		-	-
<b>XIII. Total Comprehensive Income, net of income tax</b>		<b>339.68</b>	<b>343.73</b>
<b>XIV Earning per equity share:(Basic &amp; Diluted)</b> [Refer Note 29(7)]			
Earning Per Share Before Exceptional & Extra-Ordinary Items (Basic & Dilluted) (Amt. in Rs.)		3.39	3.46
Earning Per Share After Exceptional & Extra-Ordinary Items (Basic & Dilluted) (Amt. in Rs.)		3.39	3.43
<b>Accompanying Notes forming part of the Financial Statements</b>	1 to 29		
As per our report of even date attached <b>FOR SVK &amp; ASSOCIATES</b> Chartered Accountants Firm Reg. No. 118564W		On behalf of the Board of Directors <b>For SONAM CLOCK LTD.</b>	
Sd/- <b>Shilpang V. Karia</b> Partner M. No. 102114 UDIN: 22102114AJREAG8389	Sd/- <b>Jayeshbhai C. Shah</b> Chairman & MD DIN : 00500814	Sd/- <b>Deepaben J. Shah</b> Whole Time Director DIN : 01981533	
Place : Morbi Date : 26th May, 2022	Sd/- <b>Amitbhai J. Vaghjiyani</b> Chief Financial Officer	Sd/- <b>Milankumar Ganatra</b> Company Secretary	

**SONAM CLOCK LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

Amt. (Rs. In Lacs)

	PARTICULARS	For the Year 31st March 2022 Rs.	For the Year 31st March 2021 Rs.
<b>A</b>	<b>Cash Flow from Operating Activity</b>		
	Profit before Tax	418.72	429.97
	<u>Add / (Less): Non Cash and Operating Expenses</u>		
	Depreciation & Amortization Expenses (Net)	228.20	156.32
	Interest Received / Other Non-Operative Receipts	(0.75)	(1.33)
	Finance Cost	228.44	195.84
	<b>Operating profit before working capital changes</b>	<b>874.60</b>	<b>780.80</b>
	Adjustment for:		
	(Increase) / Decrease in Inventory	(657.37)	(36.75)
	(Increase) / Decrease in Trade Receivables	333.91	170.56
	(Increase) / Decrease in Loans and Advances	378.04	(163.78)
	Increase / (Decrease) in Current Liabilities and Provisions	236.04	(215.82)
	(Increase) / Decrease in Other Current and Non Current Assets	0.54	(3.70)
	<b>Cash Generated from Operation</b>	<b>1,165.76</b>	<b>531.30</b>
	Taxes Paid	(115.84)	(61.41)
	<b>Net Cash Flow from Operating Activity before Extra-Ordinary Items</b>	<b>1,049.93</b>	<b>469.89</b>
<b>B</b>	<b>Cash Flow from Investing Activity</b>		
	(Increase) / Decrease in Fixed Assets (net)	(892.78)	(428.88)
	Advances Given for Capital Assets	-	(365.72)
	Interest Received / Other Non-Operative Receipts	0.75	1.33
	<b>Net Cash Flow from Investing Activities</b>	<b>(892.03)</b>	<b>(793.28)</b>
<b>C</b>	<b>Cash Flow from Financing Activity</b>		
	Increase / (Decrease) in Long Term & Short Term Borrowings	58.93	533.32
	Interest Expenses	(228.44)	(195.84)
	Payment of Principal Portion of Lease Liability	(0.01)	(0.01)
	<b>Net Cash Flow from Financing Activities</b>	<b>(169.51)</b>	<b>337.47</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(11.62)</b>	<b>14.08</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	<b>31.61</b>	<b>17.53</b>
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>20.00</b>	<b>31.61</b>
	<b>Components of Cash and Cash Equivalents</b>	<b>Year Ended 31st March 2022 Rs.</b>	<b>Year Ended 31st March 2021 Rs.</b>
	<b>Cash on hand &amp; Equivalents</b>		
	- Cash on hand	19.72	19.21
	<b>Balances with Scheduled Banks</b>		
	- In Deposit Accounts	-	11.53
	- In Current Accounts	0.28	0.88
		<b>20.00</b>	<b>31.61</b>

**Notes :**

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

2 Figures of Cash & Cash Equivalents have been taken from Note 8

As per our attached report of even date

**For, SVK & Associates**

Chartered Accountants

Firm No. - 118564W

Sd/-

**Shilpang V. Karia**

Partner

M. No. 102114

UDIN: 22102114AJREAG8389

For and on behalf of the Board

**For SONAM CLOCK LTD.**

Sd/-

**Jayeshbhai C. Shah**

Chairman & MD

DIN : 00500814

Sd/-

**Amitbhai J. Vaghjiyani**

Chief Financial Officer

Sd/-

**Deepaben J. Shah**

Whole Time Director

DIN : 01981533

Sd/-

**Milankumar Ganatra**

Company Secretary

Place: Morbi

Date : 26th May, 2022

Place: Morbi

Date : 26th May, 2022

**SONAM CLOCK LIMITED**

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

PARTICULARS	Number Of Shares	Amount (Rs. In Lacs)
<b>(A) EQUITY SHARE CAPITAL :</b>		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL EQUITY SHARES OF RS. 10/- EACH <b>As At 1st April, 2020</b>	<b>1,00,08,000</b>	<b>1,000.80</b>
Add : New Shares Alloted during the year 20-21	-	-
<b>As At 31st March, 2021</b>	<b>1,00,08,000</b>	<b>1,000.80</b>
Add : New Shares Alloted during the year 21-22	-	-
<b>As At 31st March, 2022</b>	<b>1,00,08,000</b>	<b>1,000.80</b>

**(B) OTHER EQUITY :**

Particulars	Reserves & Surplus			Retained Earnings	Revaluation Reserve	Other Comprehensive Income	Total
	Securities Premium	General Reserve	Balance in Statement of P&L				
<b>Balance as on 01.04.20</b>	730.08	-	1,051.34	3.08	826.25	-	2,610.76
Deffered Tax on Opening	-	-	-	(0.78)	(107.19)	-	(107.97)
Profit for the year	-	-	343.73	-	-	-	343.73
Revaluation 20-21	-	-	-	-	787.68	-	787.68
Deffered Tax on Revaluation	-	-	-	-	(214.79)	-	(214.79)
<b>Balance as on 31.03.21</b>	<b>730.08</b>	<b>-</b>	<b>1,395.07</b>	<b>2.31</b>	<b>1,291.95</b>	<b>-</b>	<b>3,419.41</b>

Particulars	Reserves & Surplus			Retained Earnings	Revaluation Reserve	Other Comprehensive Income	Total
	Securities Premium	General Reserve	Balance in Statement of P&L				
<b>Balance as on 01.04.21</b>	730.08	-	1,395.07	2.31	1,291.95	-	3,419.41
Profit for the year	-	-	339.68	-	-	-	339.68
Revaluation 21-22	-	-	-	-	96.89	-	96.89
Deffered Tax on Revaluation	-	-	-	-	(31.92)	-	(31.92)
<b>Balance as on 31.03.22</b>	<b>730.08</b>	<b>-</b>	<b>1,734.75</b>	<b>2.31</b>	<b>1,356.92</b>	<b>-</b>	<b>3,824.07</b>

As per our report of even date attached

**FOR SVK & ASSOCIATES**

Chartered Accountants  
Firm Reg. No. 118564W

Sd/-  
**Shilpang V. Karia**  
Partner  
M. No. 102114  
UDIN: 22102114AJREAG8389

Place : Rajkot  
Date : 26th May, 2022

On behalf of the Board of Directors

**For SONAM CLOCK LTD.**

Sd/-  
**Jayeshbhai C. Shah**  
Chairman & MD  
DIN : 00500814

Sd/-  
**Amitbhai J. Vaghjiyani**  
Chief Financial Officer

Sd/-  
**Deepaben J. Shah**  
Whole Time Director  
DIN : 01981533

Sd/-  
**Milankumar Ganatra**  
Company Secretary

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR 2021-22**

**1. Corporate Information:**

"SONAM CLOCK LIMITED" (CIN U33302GJ2001PLC039689) having its manufacturing facilities at Morbi, Gujarat, is presently engaged in Manufacturing & trading of Horological items, Clocks, Clock Movements and related items. The company has been migrated from Emerge Platform of National Stock Exchange of India Ltd. (NSE) to Main Board of National Stock Exchange w.e.f. 7th April, 2022.

**2. Significant accounting policies:**

(i) Basis of preparation:

These financial statements are prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of Companies Act, 2013 and the rules made thereunder. The financial statements up to the year ended 31st March, 2021 were prepared under the historical cost convention in accordance with the Accounting Standards notified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of Companies (Accounts) Rules, 2014 and other provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2020. Refer **Note 2A** for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and the cash flows.

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified thereunder, except for certain financial assets liabilities measured at fair value.

(ii) Use of Estimates:

The preparation and presentation of financial statements requires the management to make estimates, judgements and assumptions that affect the amounts of assets and liabilities reported as on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate

## SONAM CLOCK LIMITED

changes in estimates are made as and when the Management becomes aware of the changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, their effects are disclosed in the notes to the financial statements.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have significant impact on the amounts recognized in the financial statements are as below:

- \* Useful lives of property, plant & equipment
- \* Measurement of defined benefit obligations
- \* Provisions & contingencies.

### (iii) Property, Plant & Equipment:

On transition to Ind AS, the Company has elected to continue with the carrying value (i.e. historical cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any) of all of its property, plant & equipment recognized as at 1st April, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant & equipment, except for Land & Buildings. Land & Buildings are recognized at fair value based on periodic valuations by external independent valuer, less subsequent depreciation for buildings.

Increase in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity, to the extent that the increase reverses a decrease on account of revaluation previously recognised in profit or loss.

The cost of an Property, Plant & Equipment comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into its present location and the condition necessary for it to be capable of operating in the manner intended by the management, and also taking into account the initial estimate of any decommissioning obligation, if any, and Borrowing Costs for the assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

## SONAM CLOCK LIMITED

The estimated useful lives of assets are in accordance with the Schedule II of the Companies Act, 2013.

Gains or losses arising from de-recognition / disposal of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised / disposed off.

(iv) Depreciation / Amortization on tangible assets:

Depreciation on tangible assets is provided on Straight Line Method (SLM) at the rates arrived on the basis of useful life / remaining useful life and in the manner as prescribed in, Part C, Schedule II of the Companies Act, 2013.

Details of useful life of an asset and its residual value estimated by the management:-

Type of Asset	Useful Life as per management's estimate from April 1, 2014
Factory Building	30 Years
Plant & Machinery	15 Years
Electric Fittings	10 Years
Vehicles (Scooters & Mopeds)	10 Years
Vehicles (Motor Cars & Motor Buses)	8 Years
Office Equipments	5 Years
Furniture & Fixtures	10 Years
Computers	3 Years

In none of the case, residual value of an asset is more than five per cent of original cost of the asset.

(v) Impairment of Assets

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss.

## SONAM CLOCK LIMITED

If any such indication exists or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. An impairment loss, if any, is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use.

(vi) Financial Instruments:

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**

#### ***Initial Recognition and Measurement***

A financial asset is recognized in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the company measures a financial asset taking into account transactions cost that are directly attributable to the acquisition or issue of the financial asset.

#### ***Subsequent Measurement***

**a. Financial Assets measured at Amortised Cost (AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b. Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)**

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## SONAM CLOCK LIMITED

### c. Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

Financial Assets which is not classified in any of the above categories are measured at FVTPL.

There are no any financial assets measured at fair value through other comprehensive income.

### **Inventories**

Inventories of Raw Materials, Semi-Finished Goods, Finished Goods and Waste & Scrap are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs which are being incurred in bringing the inventories to their present location and condition. Method used is FIFO. Cost formula used is 'Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company

### **Trade Receivables**

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction amount which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

### **Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, and fixed deposits, that are readily convertible to know amounts of cash and which are subject to an insignificant risk of change in value.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

### **Financial Liabilities**

#### **Borrowings**

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

#### **Trade Payables**

## SONAM CLOCK LIMITED

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

(vii) Provisions, contingent liabilities and contingent assets :

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent liabilities are disclosed by way of notes to the accounts.

Contingent assets are not recognized.

(viii) Revenue Recognition:

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

Sales of Goods:

Sales are recognized when significant risks and rewards of ownership of goods have been passed to the buyer. Sales are being accounted for net of duties and taxes.

Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Operating Revenue / Other Income:

## SONAM CLOCK LIMITED

Other Income being, DEPB licence income, discount and rate difference income, insurance claim income, etc. are being recognized on accrual basis in the year in which right to receive the same is established

(ix) Retirement Benefits and other employee benefits:

Defined Contribution Plans:

Defined contribution to provident fund is charged to the profit and loss account on accrual basis.

Defined Benefit Plans:

Provision for gratuity liability is provided based on actuarial valuation made at the end of the financial year.

Leave encashment expenditure is charged to profit and loss account at the time of leave encashed and paid, if any. Bonus expenditure is charged to profit and loss account on accrual basis.

(x) Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the net gain or loss is recognized in the profit and loss account.

Foreign currency translation differences relating to liabilities incurred for purchasing of tangible assets from foreign countries are recognized in the profit and loss account. All other foreign currency gain or losses are recognized in the profit and loss account.

(xi) Leasing:

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The company has entered into operating lease arrangements for land. These rent agreements are cancellable and are usually renewable by mutual consent of both the parties.

### Lease disclosures (entity as a lessee)

#### Transition:

Effective from 1st April, 2020, the Company adopted Ind AS 116 "Leases", applied to material contracts having lease component existing on the transition date using the modified retrospective method. Accordingly, comparatives for the year ended 31st March, 2020 have not been retrospectively adjusted. The Company has measured the Right of Use Assets (RoU) and Lease Liability based on remaining lease period. On such date, the adoption of new standard resulted in recognition of RoU and Lease Liability of Rs. 1.29 Lacs. The effect of this adoption is insignificant on the profits of the period and earnings per share.

Operating leases: Assets acquired as leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals being income or expense are booked to the statement of profit and loss as incurred.

Initial direct costs in respect of the lease acquired are expensed out in the year in which such costs are incurred.

#### (xii) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A

## SONAM CLOCK LIMITED

qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. All other borrowing costs are charged to statement of profit and loss.

### (xiii) Taxes on Income

Tax expenses comprise Current Tax and deferred tax charge or credit.

Current Tax: Provision for current tax is made based on tax liability computed after considering tax allowances and exemptions, in accordance with the provisions of The Income Tax Act, 1961.

Deferred Tax: Deferred tax assets and liability is recognized, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising mainly on account of brought forward losses, unabsorbed depreciation and minimum alternate tax under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realisation. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

### (xiv) Earnings per share:

Basic earnings per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year, if any, and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

## SONAM CLOCK LIMITED

(xv) Segment Reporting:

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measure consistently with the profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to CODM.

In accordance with Ind AS 108– “Operating Segments”, the Company has identified its business segment as "Manufacturing & Trading of Horological items, Clocks, Clock Movements and related items". There are no other primary reportable segments. The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable.

(xvi) De-recognition:

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognized from the Company’s Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(xvii) Offsetting:

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### 2A. TRANSITION TO IND AS

These are the company’s first standalone financial statements in accordance with Ind AS.

The accounting policies as set out in **Note 2** have been applied in preparing the financial statements for the year ended 31<sup>st</sup> March, 2022, the comparative information presented in these financial statements for the year ended 31<sup>st</sup> March, 2021 and in the preparation of opening Ind AS balance sheet as at 1<sup>st</sup> April, 2020 (the Company’s date of transition).

In preparing its opening Ind AS Balance Sheet, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006

## SONAM CLOCK LIMITED

(as amended) and other relevant provisions of the Act (Indian GAAP or previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out as below:

### *Exceptions and Exemptions applied*

#### **Estimates**

Ind AS estimates on the date of transition are consistent with the estimates as at the same date made in conformity with previous GAAP.

### *Classification and measurement of financial assets*

The company has assessed classification and measurement of financial assets based on facts and circumstances prevalent on the date of transition to Ind AS.

### *Deemed Cost and Revaluation*

The Company has elected to continue with the carrying value of all of its property, plant & equipment recognized as at 1<sup>st</sup> April, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant & equipment, except for land and building, which are revalued at its fair value.

As per our attached Report of even date

For, and on behalf of Board

### **For, SVK & ASSOCIATES**

Chartered Accountants  
FRN: 118564W

Sd/-

**Shilpang V. Karia**

Partner

M. No. 102114

UDIN: 22102114AJREAG8389

Date: 26<sup>th</sup> May, 2022

Place: Morbi

### **For, SONAM CLOCK LTD.**

Sd/-

**Jayeshbhai C. Shah**

Chairman & MD

DIN: 00500814

Sd/-

**Amitbhai J. Vaghjiyani**

Chief Financial Officer

Date: 26<sup>th</sup> May, 2022

Place: Morbi

Sd/-

**Deepaben J. Shah**

Whole Time Director

DIN: 01981533

Sd/-

**Milankumar Ganatra**

Company Secretary

## SONAM CLOCK LIMITED

### NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

#### NOTE - 3 : PROPERTY, PLANT & EQUIPMENT

Amt. (Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION BLOCK				NET BLOCK		
	As on 01-04-2021	Additions during the year	Revaluation Surplus	Deductions during the year	As on 31-03-2022	As on 01-04-2021	Depreciation for the year	Deductions	As on 31-03-2022	As on 31-03-2022	As on 31/03/2021
<b>a. Tangible Assets</b>											
Factory Land	486.89	640.61	235.36	-	1,362.86	-	-	-	-	1,362.86	486.89
Factory Buildings & Rajkot Office	3,367.91	-	(138.47)	-	3,229.44	59.22	126.82	-	186.04	3,043.40	3,308.69
<b>Plant &amp; Machinery</b>											
Machinery	707.38	86.96	-	-	794.34	316.50	45.08	-	361.59	432.75	390.88
Handling Equipments	30.27	0.19	-	-	30.47	6.75	1.91	-	8.66	21.80	23.52
DG Set	14.11	-	-	-	14.11	9.83	1.02	-	10.85	3.26	4.28
Dies & Moulds	280.97	20.28	-	-	301.25	92.03	18.80	-	110.82	190.43	188.95
Water Tanker	2.68	-	-	-	2.68	1.14	0.18	-	1.31	1.36	1.54
Electric Installations	25.65	-	-	-	25.65	24.27	0.45	-	24.72	0.93	1.38
Cooling Tower	2.66	-	-	-	2.66	1.52	0.18	-	1.70	0.96	1.14
Solar Plant	77.62	-	-	-	77.62	2.45	4.91	-	7.36	70.26	75.17
<b>Vehicles</b>											
Motor Buses	140.13	7.32	-	-	147.45	103.52	8.74	-	112.26	35.19	36.62
Motor Cars	89.50	-	-	2.50	87.00	31.56	8.92	1.36	39.13	47.88	57.94
Motor Cycles	2.80	-	-	-	2.80	2.45	0.11	-	2.55	0.25	0.36
<b>Furniture &amp; Fixtures</b>											
Office Equipments	40.56	1.37	-	-	41.93	29.93	3.01	-	32.95	8.99	10.63
Photocopy Equipments	1.16	-	-	-	1.16	0.71	0.22	-	0.93	0.22	0.44
Furniture & Fixtures	79.91	0.18	-	-	80.09	50.04	6.57	-	56.61	23.47	29.87
EPABX System	2.27	-	-	-	2.27	2.27	-	-	2.27	0.00	0.00
Mobiles	6.09	-	-	-	6.09	3.60	0.82	-	4.43	1.67	2.49
<b>Computers &amp; Softwares</b>	9.51	0.30	-	-	9.81	8.98	0.44	-	9.42	0.38	0.53
<b>Total Tangible Assets</b>	<b>5,368.07</b>	<b>757.20</b>	<b>96.89</b>	<b>2.50</b>	<b>6,219.67</b>	<b>746.78</b>	<b>228.19</b>	<b>1.36</b>	<b>973.61</b>	<b>5,246.06</b>	<b>4,621.30</b>
<b>b. Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
<b>c. Capital Work In Progress</b>											
Plant & Machinery	-	78.88	-	-	78.88	-	-	-	-	78.88	-
Solar Power Project - 2	28.85	57.83	-	-	86.68	-	-	-	-	86.68	28.85
<b>Total Capital Work in Progress</b>	<b>28.85</b>	<b>136.71</b>	-	-	<b>165.56</b>	-	-	-	-	<b>165.56</b>	<b>28.85</b>
<b>GRAND TOTAL</b>	<b>5,396.92</b>	<b>893.91</b>	-	<b>2.50</b>	<b>6,385.23</b>	<b>746.78</b>	<b>228.19</b>	<b>1.36</b>	<b>973.61</b>	<b>5,411.62</b>	<b>4,650.14</b>
<b>PREVIOUS YEAR GRAND TOTAL</b>	<b>4,180.37</b>	<b>1,715.47</b>	<b>787.68</b>	<b>1,286.60</b>	<b>5,396.92</b>	<b>590.47</b>	<b>156.31</b>	-	<b>746.78</b>	<b>4,650.14</b>	<b>3,589.91</b>

Total Depreciation for the Year		21-22	20-21
Depreciation on Tangible Assets	(a)	228.19	156.31
Depreciation on Right of Use Assets	(b)	0.01	0.01
<b>Total Depreciation for the Year (a+b)</b>		<b>228.20</b>	<b>156.32</b>

Ageing of Capital Work in Progress	< 1 Year	1-2 Year	Total
Solar Project	57.83	28.85	86.68
Plant & Machinery	78.88	-	78.88
	<b>136.71</b>	<b>28.85</b>	<b>165.56</b>

## SONAM CLOCK LIMITED

### NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2021

**NOTE - 3 : PROPERTY, PLANT & EQUIPMENT :**

Amt. (Rs. In Lacs)

Particulars	GROSS BLOCK							DEPRECIATION / AMORTIZATION BLOCK				NET BLOCK		
	As on 01-04-2020	Depreciation Block (Netted Off)	Net (Op WDV)	Revaluation Surplus for Op Revaluation	Additions during the year	Revaluation Surplus for the year	Deductions during the year	As on 31-03-2021	As on 01-04-2020	Depreciation for the year	Deductions	As on 31-03-2021	As on 31-03-2021	As on 01-04-2020
<b>a. Tangible Assets</b>														
Factory Land	25	-	24.57	400.35	-	61.97	-	486.89	-	-	-	-	486.89	424.92
Factory Buildings & Rajkot Office	934	243	690.36	425.90	1,525.94	725.71	-	3,367.91	-	59.22	-	59.22	3,308.69	1,116.27
<b>Plant &amp; Machinery</b>														
Machinery	6,50,28,646	-	650.29	-	57.09	-	-	707.38	274.06	42.44	-	316.50	390.88	376.23
Handling Equipments	25,02,899	-	25.03	-	5.24	-	-	30.27	5.10	1.65	-	6.75	23.52	19.93
DG Set	14,10,870	-	14.11	-	-	-	-	14.11	8.81	1.02	-	9.83	4.28	5.30
Dies & Moulds	2,67,14,973	-	267.15	-	13.83	-	-	280.97	74.14	17.88	-	92.03	188.95	193.01
Water Tanker	2,67,500	-	2.68	-	-	-	-	2.68	0.96	0.18	-	1.14	1.54	1.71
Electric Installations	25,64,530	-	25.65	-	-	-	-	25.65	23.82	0.45	-	24.27	1.38	1.83
Cooling Tower	2,65,650	-	2.66	-	-	-	-	2.66	1.35	0.18	-	1.52	1.14	1.31
Solar Plant	-	-	-	-	77.62	-	-	77.62	-	2.45	-	2.45	75.17	-
<b>Vehicles</b>														
Motor Buses	1,40,13,398	-	140.13	-	-	-	-	140.13	93.01	10.50	-	103.52	36.62	47.12
Motor Cars	89,50,405	-	89.50	-	-	-	-	89.50	22.06	9.50	-	31.56	57.94	67.44
Motor Cycles	2,80,346	-	2.80	-	-	-	-	2.80	2.28	0.17	-	2.45	0.36	0.52
<b>Furniture &amp; Fixtures</b>														
Office Equipments	34,59,427	-	34.59	-	5.97	-	-	40.56	27.74	2.19	-	29.93	10.63	6.85
Photocopy Equipments	1,15,500	-	1.16	-	-	-	-	1.16	0.49	0.22	-	0.71	0.44	0.66
Furniture & Fixtures	79,90,946	-	79.91	-	-	-	-	79.91	43.46	6.58	-	50.04	29.87	36.45
EPABX System	2,27,150	-	2.27	-	-	-	-	2.27	2.27	-	-	2.27	0.00	0.00
Mobiles	5,37,360	-	5.37	-	0.72	-	-	6.09	2.56	1.04	-	3.60	2.49	2.81
Computers & Softwares	9,29,171	-	9.29	-	0.22	-	-	9.51	8.35	0.63	-	8.98	0.53	0.94
	<b>23,10,68,382</b>	<b>2,43,16,287</b>	<b>2,067.52</b>	<b>826.25</b>	<b>1,686.62</b>	<b>787.68</b>	<b>-</b>	<b>5,368.07</b>	<b>590.47</b>	<b>156.31</b>	<b>-</b>	<b>746.78</b>	<b>4,621.30</b>	<b>2,303.31</b>
<b>b. Intangible Assets</b>														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>c. Capital Work In Progress</b>														
Factory Building under Construction	12,63,46,446	-	1,263.46	-	-	-	1,263.46	-	-	-	-	-	-	1,263.46
Solar Power Project	23,13,630	-	23.14	-	-	-	23.14	-	-	-	-	-	-	23.14
Solar Power Project - 2	-	-	-	-	28.85	-	-	28.85	-	-	-	-	28.85	-
<b>Total Capital Work in Progress</b>	<b>12,86,60,076</b>	<b>-</b>	<b>1,286.60</b>	<b>-</b>	<b>28.85</b>	<b>-</b>	<b>1,286.60</b>	<b>28.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.85</b>	<b>1,286.60</b>
<b>GRAND TOTAL</b>	<b>35,97,28,459</b>	<b>2,43,16,287</b>	<b>3,354.12</b>	<b>826.25</b>	<b>1,715.47</b>	<b>787.68</b>	<b>1,286.60</b>	<b>5,396.92</b>	<b>590.47</b>	<b>156.31</b>	<b>-</b>	<b>746.78</b>	<b>4,650.14</b>	<b>3,589.91</b>

<b>Total Depreciation for the Year</b>		<b>20-21</b>
Depreciation on Tangible Assets	(a)	156.31
Depreciation on Right of Use Assets	(b)	0.01
<b>Total Depreciation for the Year (a+b)</b>		<b>156.32</b>

<b>Ageing of Capital Work in Progress</b>	<b>Less Than 1 Yr.</b>
Solar Project	28.85
	<b>28.85</b>

# SONAM CLOCK LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	As At 31-March-22 Rs.	As At 31-March-21 Rs.	As At 1-April-20 Rs.
<b>NOTE - 4 : LONG TERM LOANS &amp; ADVANCES:</b>			
Security Deposits	8.66	21.40	21.90
<b>TOTAL NOTE 4</b>	<b>8.66</b>	<b>21.40</b>	<b>21.90</b>
<b>NOTE - 5 : OTHER NON CURRENT ASSETS</b>			
Unamortised Processing Fees-Non Current	3.42	3.64	2.47
<b>TOTAL NOTE 5</b>	<b>3.42</b>	<b>3.64</b>	<b>2.47</b>
<b>NOTE - 6 : INVENTORIES:</b>			
<i>(As taken ,valued and certified by the management)</i>			
Raw Materials	1,438.95	1,441.45	1,130.70
Finished Goods	923.38	288.87	396.78
Semi-Finished Goods	119.55	94.20	260.28
<b>TOTAL NOTE 6</b>	<b>2,481.89</b>	<b>1,824.52</b>	<b>1,787.77</b>
<b>NOTE - 7 : TRADE RECEIVABLES:</b>			
[Refer Note 29(10)]			
<i>(Unsecured and considered good as certified by the management)</i>			
(a) Secured, considered good :	-	-	-
(b) Unsecured, considered good :	543.63	877.54	1,048.11
<b>TOTAL NOTE 7</b>	<b>543.63</b>	<b>877.54</b>	<b>1,048.11</b>
<b>Ageing of Trade Receivables:</b>			
Undisputed	0 to 6 Months	483.52	728.92
	6M to 1 Year	10.90	66.24
	1 to 2 Years	20.82	67.99
	2 to 3 Years	22.79	12.83
	Above 3 Years	5.60	1.57
Disputed Dues		-	-
<b>Total</b>		<b>543.63</b>	<b>877.54</b>
<b>NOTE - 8 : CASH AND CASH EQUIVALENTS :</b>			
a. Cash on Hand	19.72	19.21	16.11
b. Balances with banks			
In Deposit Accounts	-	11.53	-
In Current Accounts	-	0.65	1.16
In Current Accounts - Unpaid Dividend Accounts	0.28	0.23	0.26
<b>TOTAL NOTE 8</b>	<b>20.00</b>	<b>31.61</b>	<b>17.53</b>
<b>NOTE - 9 : SHORT TERM LOANS AND ADVANCES:</b>			
<i>(Unsecured and considered good as certified by the management)</i>			
a. Advances for Land Purchases to Directors	-	365.72	-
b. Prepaid Expenses	24.32	25.47	22.69
c. Balances With Government Authorities	335.78	130.64	202.57
d. Advances to Suppliers	242.39	395.72	221.02
e. Deposit (Receivables)	-	32.72	-
<b>TOTAL NOTE 9</b>	<b>602.48</b>	<b>950.27</b>	<b>446.28</b>
<b>NOTE - 10 : OTHER CURRENT ASSETS:</b>			
<i>(Unsecured and considered good as certified by the management)</i>			
a. Interest Accrued on Deposits	0.41	0.92	-
b. Other Receivables	37.70	37.91	37.70
c. Unamortised Processing Fees-Current	1.81	1.40	0.61
<b>TOTAL NOTE 10</b>	<b>39.91</b>	<b>40.23</b>	<b>38.31</b>

## SONAM CLOCK LIMITED

### NOTES FORMING PART OF THE BALANCE SHEET

AS AT 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	As At		As At		As At	
	31-March-22	31-March-22	31-March-21	31-March-21	1st April, 2020	1st April, 2020
	Number	Amt. (Rs. In Lacs)	Number	Amt. (Rs. In Lacs)	Number	Amt. (Rs. In Lacs)
<b>NOTE - 11 : SHARE CAPITAL</b>						
<b>a. Authorized :</b>						
Equity Shares of Rs. 10/- Each	1,10,00,000	1,100.00	1,10,00,000	1,100.00	1,10,00,000	1,100.00
<b>Total</b>	<b>1,10,00,000</b>	<b>1,100.00</b>	<b>1,10,00,000</b>	<b>1,100.00</b>	<b>1,10,00,000</b>	<b>1,100.00</b>
<b>b. Issued, Subscribed &amp; Paid Up :</b>						
Equity Share Capital	1,00,08,000	1,000.80	1,00,08,000	1,000.80	1,00,08,000	1,000.80
<b>Total</b>	<b>1,00,08,000</b>	<b>1,000.80</b>	<b>1,00,08,000</b>	<b>1,000.80</b>	<b>1,00,08,000</b>	<b>1,000.80</b>

#### Reconciliation of Number Of Shares outstanding at the beginning and at the end of the reporting period

Particulars	31-March-22		31-March-21		1st April, 2020	
	Number	Amt. (Rs. In Lacs)	Number	Amt. (Rs. In Lacs)	Number	Amt. (Rs. In Lacs)
<b>Equity Shares :</b>						
Shares outstanding at the beginning of the year	1,00,08,000	1,000.80	1,00,08,000	1,000.80	1,00,08,000	1,000.80
Shares issued during the period	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	1,00,08,000	1,000.80	1,00,08,000	1,000.80	1,00,08,000	1,000.80

#### Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Shares in the company held by each shareholder holding more than 5 percent shares

Sr. No.	Name of Shareholder	31-March-22		31-March-21		1st April, 2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Jayesh Chhabildas Shah	64,07,200	64.02%	64,07,200	64.02%	64,07,200	64.02%

#### Disclosure of Shareholding of Promoters in Equity Shares

Sr. No.	Name of the Promoter	No. of shares held at the end		No. of shares held at the beginning		% of change in the shareholding if any
		31-March-22	% of shares held at the end	31-March-21	% of shares held at the beginning	
1)	Jayeshbhai Chhabildas Shah	64,07,200	64.02	64,07,200	64.02	-
2)	Deepaben Jayeshbhai Shah	4,80,000	4.80	4,80,000	4.80	-
3)	Jayesh Chhabildas Shah HUF	4,80,400	4.80	4,80,400	4.80	-
4)	Jatin Shashikant Movani	33,000	0.33	51,000	0.51	(0.18)
5)	Amitbhai Jamnadas Vaghajiyani	100	0.00	100	0.00	-
6)	Samir Champaklal Doshi	100	0.00	100	0.00	-
7)	Harshil Jayeshbhai Shah	100	0.00	100	0.00	-
8)	SKSE Securities Limited	15,000	0.15	1,29,000	1.29	(1.14)
9)	Rutvi Jayeshbhai Shah	100	0.00	100	0.00	-
		<b>74,16,000</b>	<b>74.10</b>	<b>75,48,000</b>	<b>75.42</b>	<b>(1.32)</b>

#### Shares issued other than cash, bonus issue and shares bought back

Particulars	Year (Aggregate No. of Shares)			
	2021-22	2020-21	2019-20	2018-19
<b>Equity Shares :</b>				
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	18,00,000
Shares bought back	Nil	Nil	Nil	Nil
<b>Preference Shares :</b>				
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil
<b>Unpaid Calls</b>				
	<b>2021-22</b>	<b>2020-21</b>		
By Directors	Nil	Nil		
By Officers	Nil	Nil		

# SONAM CLOCK LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	As At 31-March-22 Rs.	As At 31-March-21 Rs.	As At 1-April-20 Rs.
<b>NOTE - 12 : OTHER EQUITY :</b>			
<b>A Securities Premium</b>			
Balance As Per Last Financial Statements	730.08	730.08	730.08
Closing Balance			
Sub Total	<b>730.08</b>	<b>730.08</b>	<b>730.08</b>
<b>B Profit &amp; Loss Account (Surplus)</b>			
Balance As Per Last Financial Statements	1,395.07	1,051.34	766.13
Add : Current Year Profits / (Loss)	339.68	343.73	285.22
Closing Balance			
Sub Total	<b>1,734.75</b>	<b>1,395.07</b>	<b>1,051.34</b>
<b>C Retained Earnings</b>			
Balance As Per Last Financial Statements	2.31	2.31	-
Add : On Transition to Ind AS	-	-	3.08
Less : Deferred Tax on above	-	-	0.78
Closing Balance			
Sub Total	<b>2.31</b>	<b>2.31</b>	<b>2.31</b>
<b>D Revaluation Surplus</b>			
Balance As Per Last Financial Statements	1,291.95	719.06	-
Add : On Revaluation - Transition to Ind AS	-	-	826.25
Add : On Revaluation	96.89	787.68	-
Less : Deferred Tax on Revaluation	31.92	214.79	107.19
Closing Balance			
Sub Total	<b>1,356.92</b>	<b>1,291.95</b>	<b>719.06</b>
<b>TOTAL NOTE 12</b>	<b>3,824.07</b>	<b>3,419.41</b>	<b>2,502.79</b>
<b>NOTE - 13 : LONG TERM BORROWINGS :</b>			
[Refer Note 29(2)]			
<b>Secured</b>			
<b>Term Loans</b>			
From Banks	970.99	1,015.18	792.50
From Banks - Vehicle Loans	13.82	17.54	37.22
<b>TOTAL NOTE 13</b>	<b>984.82</b>	<b>1,032.72</b>	<b>829.72</b>
<b>NOTE - 14 : DEFERRED TAX LIABILITIES :</b>			
<b>a) Deferred tax liabilities</b>			
Related to Fixed Assets & Revaluation	418.37	418.37	216.52
Related to Unamortized Processing Charges	23.03	2.61	0.78
Sub Total	<b>441.40</b>	<b>420.97</b>	<b>217.30</b>
<b>b) Deferred tax Assets</b>			
Related to Gratuity	6.26	6.26	6.26
Sub Total	<b>6.26</b>	<b>6.26</b>	<b>6.26</b>
<b>TOTAL NOTE 14 (a-b)</b>	<b>435.14</b>	<b>414.71</b>	<b>211.04</b>
<b>NOTE - 15 : OTHER NON-CURRENT LIABILITIES :</b>			
<b>a. Lease Obligations</b>	-	1.29	1.29
<b>b. Provision for Employee Benefits - Gratuity (unfunded) [Refer Note 29(8)]</b>	31.27	35.00	23.55
<b>TOTAL NOTE 15</b>	<b>31.27</b>	<b>36.29</b>	<b>24.84</b>

# SONAM CLOCK LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	As At 31-March-22 Rs.	As At 31-March-21 Rs.	As At 1-April-20 Rs.	
<b>NOTE - 16 : SHORT TERM BORROWINGS :</b> [Refer Note 29(2)]				
<b>Secured :</b>				
<b>Loans Repayable on Demand</b>				
From Banks - Working Capital Facilities	1,381.30	1,196.21	1,417.51	
From Banks - Current Maturities of Long Term Debts	339.70	509.96	115.33	
<b>Unsecured</b>				
From Directors	278.00	186.00	29.00	
<b>TOTAL NOTE 16</b>	<b>1,999.00</b>	<b>1,892.16</b>	<b>1,561.84</b>	
<b>NOTE - 17 : TRADE PAYABLES :</b> [Refer Note 29(12)]				
(a) Dues to Micro & Small Enterprises	40.52	-	-	
(b) Dues to Other Than Micro & Small Enterprises	581.04	322.03	612.42	
<b>TOTAL NOTE 17</b>	<b>621.56</b>	<b>322.03</b>	<b>612.42</b>	
<b>Ageing of Trade Payables:</b>				
MSME	Less Than 1 Year	40.52	-	NA
	1-2 Years	-	-	NA
Others	Less Than 1 Year	581.04	317.21	NA
	1-2 Years	-	4.82	NA
Disputed Dues		-	-	NA
<b>Total</b>		<b>621.56</b>	<b>322.03</b>	<b>NA</b>
<b>NOTE - 18 : PROVISIONS :</b>				
Provision for Unpaid Expenses		1.50	1.50	1.13
<b>TOTAL NOTE 18</b>		<b>1.50</b>	<b>1.50</b>	<b>1.13</b>
<b>NOTE - 19 : EMPLOYEE BENEFIT OBLIGATIONS :</b>				
Salary & Reimbursements		43.24	53.60	47.38
Contribution to PF		2.62	4.38	5.48
Labour Welfare Fund Payable		-	0.06	-
Gratuity Provision (Short Term)		4.45	2.07	1.33
<b>TOTAL NOTE 19</b>		<b>50.30</b>	<b>60.12</b>	<b>54.18</b>
<b>NOTE - 20 : CURRENT TAX LIABILITIES :</b>				
Provision for Current Income-tax		91.27	99.07	102.09
<b>TOTAL NOTE 20</b>		<b>91.27</b>	<b>99.07</b>	<b>102.09</b>
<b>NOTE - 21 : OTHER CURRENT LIABILITIES :</b>				
(a) Statutory Liabilities		21.08	37.59	8.23
(b) Advances Received from Customers		49.49	83.95	35.17
(c) Payables for unclaimed Dividend		0.17	0.27	0.27
(d) Other Current Liabilities		1.12	-	1.96
(e) Provision for CSR Expenses		-	-	7.08
<b>TOTAL NOTE 21</b>		<b>71.87</b>	<b>121.81</b>	<b>52.71</b>

# SONAM CLOCK LIMITED

## NOTES TO ACCOUNTS FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	For The Year 31-March-22 Rs.	For The Year 31-March-21 Rs.
<b>NOTE - 22 : REVENUE FROM OPERATION:</b>		
a. Sale of Products	8,707.13	7,909.17
b. Other Operating Revenues	34.12	52.58
<b>TOTAL NOTE : 22</b>	<b>8,741.25</b>	<b>7,961.75</b>
<b>NOTE - 23 : OTHER INCOME :</b>		
Interest Income	0.75	1.33
Foreign Exchange Fluctuation	49.97	4.03
Other Misc. Income	1.28	5.00
<b>TOTAL NOTE : 23</b>	<b>52.00</b>	<b>10.36</b>
<b>NOTE - 24 : COST OF RAW MATERIAL AND COMPONENTS CONSUMED :</b>		
Opening Stock :	1,441.45	1,130.70
Add : Purchases	3,750.75	2,552.35
Less : Closing Stock	1,438.95	1,441.45
<b>TOTAL NOTE : 24</b>	<b>3,753.25</b>	<b>2,241.60</b>
<b>NOTE - 25 : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS &amp; STOCK-IN-TRADE :</b>		
<b>a. Stock At Close</b>		
Finished Goods	923.38	288.87
Semi-Finished Goods	119.55	94.20
<b>Total (a)</b>	<b>1,042.93</b>	<b>383.07</b>
<b>b. Stock At Commencement</b>		
Finished Goods	288.87	396.78
Semi-Finished Goods	94.20	260.28
<b>Total (b)</b>	<b>383.07</b>	<b>657.06</b>
<b>TOTAL NOTE 25 (b-a)</b>	<b>(659.86)</b>	<b>274.00</b>

# SONAM CLOCK LIMITED

## NOTES TO ACCOUNTS FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Amt. (Rs. In Lacs)

Particulars	For The Year 31-March-22 Rs.	For The Year 31-March-21 Rs.
<b>NOTE - 26 : EMPLOYEE BENEFITS EXPENSES :</b>		
Salary, Wages and Bonus	315.31	329.17
Director Remuneration	172.80	1.74
Contribution to Provident Fund & Gratuity Fund Provision	18.14	34.98
Staff Welfare Expenses	101.95	129.53
<b>TOTAL NOTE : 26</b>	<b>608.20</b>	<b>495.42</b>
<b>NOTE - 27 : FINANCE COSTS :</b>		
Interest on Term Loans	111.26	68.98
Interest on Working Capital Facilities	94.47	105.92
Other Interest	11.12	1.69
Other Borrowing Cost	11.59	19.24
<b>TOTAL NOTE : 27</b>	<b>228.44</b>	<b>195.84</b>
<b>NOTE - 28 : OTHER EXPENSES :</b>		
<b>a. Manufacturing &amp; Operating Costs</b>		
Consumption of Electirc, Power and Fuel	74.47	68.50
Machinery Repairs & Maintenance	20.87	22.54
Building Repairs & Maintenance	29.37	7.57
Electric Repairs & Maintenance	0.94	1.20
Other Manufacturing & Operating Expenses	32.51	30.76
<b>Total (a)</b>	<b>158.16</b>	<b>130.57</b>
<b>b. Sales &amp; Distribution Expenses</b>		
Advertisement	25.95	8.94
Sales Promotion Expenses	58.66	29.98
Export Related Expenditure	273.25	134.90
Transportation & Loading Expenses	20.42	21.76
<b>Total (b)</b>	<b>378.28</b>	<b>195.57</b>
<b>c. General &amp; Administrative Expenses</b>		
Rates & Taxes	8.96	2.77
Conveyance, Tour and Travelling Expenses	4.48	4.79
Audit Fees	1.50	1.50
Legal and Professional Expenses	29.89	24.42
Insurance	46.45	35.77
CSR Expenses	-	0.02
General Administration Expenses	145.55	128.26
<b>Total (c)</b>	<b>236.83</b>	<b>197.54</b>
<b>TOTAL NOTE 28 (a+b+c)</b>	<b>773.27</b>	<b>523.68</b>

**NOTE - 29 : NOTES ON ACCOUNTS:-****A The Company**

"SONAM CLOCK LIMITED" (CIN U33302GJ2001PLC039689) has been migrated from Emerge Platform of National Stock Exchange of India Ltd. (NSE) to Main Board of National Stock Exchange w.e.f. 7th April, 2022. Hence, these financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2020.

**B Nature of Operations :-**

The Company having its manufacturing facilities at Morbi, Gujarat, is presently engaged in Manufacturing & trading of Horological items, Clocks, Clock Movements and related items.

**1 Notes on Audit for the Year Ended March 31, 2022**

Previous year's figure have been reworked, regrouped, rearranged and reclassified wherever necessary, so to give a comparative view. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**2 Long Term and Short Term Borrowings :-****Secured :****[a] Term Loans From Banks**Amt O/s

(i) Bank of India : Rs. 6.17 Lacs (Rs. 35.88 lacs) Primary Security - Hypothecation all Plant & Machineries.

(ii) Bank of India : Rs. 681.60 Lacs (Rs.822.93 Lacs) Primary Security -EQM of factory land and building there on situated at Sr. No.338/IP1&1P2, Village Lajai, Taluka Tankara, Dist. Morbi in name of Sonam Clock Limited. (Land Area: 17705 Sq. Mtrs.)

Collateral Security:

EQM of factory land and building (Commercial Premises Area 4451.52 Sq Mtrs & Industrial Premises Area 5159.72 Sq Mtrs) situated at Ser. No. 337/P, Village Lajjai, Taluka Tankara, Dist. Morbi standing in the name of M/s. Sonam Clock Pvt. Ltd.

Personal Guarantee of Mr. Jayeshbhai C. Shah (Director) and Mrs. Deepaben J. Shah (Director)

**[b] Cash Credit & EPC facilities from Banks repayable on demand**Amt O/s

(i) Bank of India - Rs. 1381.30 lacs (P.Y. Rs. 1196.21 lacs) Primary Security - Hypothecation of Stocks and Book Debts.

(ii) Bank of India - GECL-WCTL : Rs. 307.51 Lacs (P.Y. 399 Lacs) - Repayable in 36 EMI after Initial Moratorium of 12 Months.

(iii) Bank of India - CESS-2020 (WCDL) : Rs. 19.94 Lacs (P.Y. 245 Lacs) - Repayable in 18 EMI after Initial Moratorium of 6 Months.

(iv) Bank of India - GECL 2 (WCDL) : Rs. 290.00 Lacs (P.Y. Nil) - Repayable in 36 EMI after Initial Moratorium of 12 Months.

Pledge of TDRs for LC Margin 15% upon full utilization of limit.

Collateral Security:

EQM of factory land and building (Commercial Premises Area 4451.52 Sq Mtrs & Industrial Premises Area 5159.72 Sq Mtrs) situated at Ser. No. 337/P, Village Lajjai, Taluka Tankara, Dist. Morbi standing in the name of M/s. Sonam Clock Pvt. Ltd.

Personal Guarantee of Mr. Jayeshbhai C. Shah (Director) and Mrs. Deepaben J. Shah (Director)

**[c] Vehicle Loans From Banks**Amt O/s

(i) Bank of India - Rs. 19.30 lacs (P.Y. 24.51 lacs) Secured against hypothecation of vehicles.

(ii) HDFC Bank - Nil (P.Y. 15.36 lacs) Secured against hypothecation of vehicles.

The rate of interest on the long term and short term borrowings ranges between 7% to 12% p.a. depending upon the prime lending rate / base rate of the banks applicable at different point of time during the year and the interest rate spread agreed with the banks.

Repayment period of long term borrowings ranges from less than 1 year to 6 years from the balance sheet date.

**Unsecured :**

From Directors Rs. 278.00 lacs (P.Y. Rs. 186 lacs) carries 9% interest rate and is repayable within 1 year from the balance date.

3 Managerial Remuneration to Directors	<u>2021-22</u>	<u>2020-21</u>
Salaries, Perquisites & Allowances (Rs. Lacs)	<u>173</u>	<u>2</u>
	<u>173</u>	<u>2</u>
	<u>2021-22</u>	<u>2020-21</u>
4 Payment to Auditor		
a) Statutory Audit Fees	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>
5 Expenditure & Earnings in Foreign Exchange	<u>2021-22</u>	<u>2020-21</u>
a) Expenditure	Nil	Nil
b) Earnings for sale of goods	2,213	1,545
6 Deferred Tax Liability Comprise of the following	<u>2021-22</u>	<u>2020-21</u>
a) Deferred tax liabilities		
Related to Fixed Assets & Revaluation	418	418
Related to Unamortized Processing Charges	23	3
	<u>441</u>	<u>421</u>
b) Deferred tax assets		
Related to Gratuity	6	6
	<u>6</u>	<u>6</u>
Deferred Tax Liability / (Assets) {Net} (a-b)	<u>435</u>	<u>415</u>

7 Earning Per Share (Amt Rs. in Lacs unless otherwise stated)	2021-22	2020-21
<b>Continuing &amp; Total Operations</b>		
Net Profit after tax (PAT)	340	344
Net Profit available to equity share holders	A 340	344
Add: Exceptional & Extra-Ordinary Items (Net of Taxes)	-	3
Net Profit Before Exceptional & Extra-Ordinary items	B 340	346
Weighted Nos. of Equity Shares used as denominated for calculating the Basic EPS after issue of Bonus Shares	C 1,00,08,000	1,00,08,000
Basic EPS Before Exceptional & Extra-Ordinary items (Amt. in Rs.)	(A/C) 3.39	3.46
Basic EPS After Exceptional & Extra-Ordinary items (Amt. in Rs.)	(B/C) 3.39	3.43

**8 Disclosure under Accounting Standard - 15 (Revised) on 'Post Employment Benefits'**

(Amt. Rs. in Lacs)

**Gratuity Benefits**

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (Last drawn salary) for each completed year of service.

The following table summarizes the component of net benefit expenses recognized in Statement of Profit & Loss.

**(I) Changes in the present value of the defined benefit gratuity plan are as follows:**

Particulars	2021-22	2020-21
Opening defined benefit obligation	37	25
Interest Cost	2	1
Current Service Cost	8	10
Benefit Paid	-	-
Actuarial (Gain) / Losses on obligation	(12)	1
Closed Defined benefit obligation	36	37

**(II) Details of defined benefit gratuity plan**

Particulars	2021-22	2020-21
Defined benefit obligation (A)	36	37
Fair Value of plan asset (B)	-	-
Present value of Unfunded obligation (C=A-B)	36	37
Less: Unrecognized past service Cost (D)	-	-
Plan Asset/ (Liability) (E=D-C)	(36)	(37)

**(III) Net Employee Benefit expenses in Profit & Loss Account**

Particulars	2021-22	2020-21
Current Service Cost	8	10
Interest Cost on benefit obligation	2	1
Expected return on plan assets	-	-
Net Actuarial (Gain)/Loss recognized in the year	(12)	1
Past Service Cost	-	-
Net Benefit Expense / (Income)	(1)	12

**(IV) Amounts for the current and previous periods are as follows:**

Particulars	2021-22	2020-21
Defined Benefit obligation	36	37
Plan Assets	-	-
Surplus / (Deficit)	(36)	(37)
Experience adjustments on Plan Liabilities	-	-
Experience adjustments on Plan Assets	-	-

**(V) The principal assumption used in determining the defined benefit gratuity plan obligations are shown below.**

Particulars	2021-22	2020-21
Retirement Age to be Assumed at	60 Years	60 Years
Rate of Discounting	5.75% p.a.	5.50% p.a.
Future Salary rise	5.00% p.a.	5.00% p.a.
Withdrawal Rate		
For 18 to 30 Years p.a.	25.00% p.a.	25.00% p.a.
For 30 to 44 Years p.a.	25.00% p.a.	25.00% p.a.
For 44 to 60 Years p.a.	25.00% p.a.	25.00% p.a.
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Gratuity Limit (Rs. in Lacs)	20.00	20.00

The estimated future salary increases, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**9 Segment Information:-**

In accordance with Ind AS 108- "Operating Segments", the Company has identified its business segment as "Manufacturing & Trading of Horological items, Clocks, Clock Movements and related items". There are no other primary reportable segments. The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable.

**SONAM CLOCK LIMITED**

**10 Related Party Disclosures:**

The disclosure of the transactions with the related parties as defined in Ind AS 24 - Related Party Disclosures are as follows:

**a. List of Related Parties along with relationship and Transactions :-**

**Key Management Personnel**

Jayeshbhai C. Shah, Managing Director  
 Deepaben J. Shah, Whole Time Director  
 Jigar Dipakbhai Mehta, Independent Director  
 Shreyansh Vijaybhai Vora, Independent Director  
 Rutvi J Shah, Director (upto 30.06.2020)  
 Harshil J Shah, Director (w.e.f. 30.06.2020)  
 Minaxi Taladiya, CS  
 Milankumar Ganatra,CS (w.e.f. 01.02.2020)  
 Amitbhai Jamnadas Vaghajiyani, CFO  
 Jatin Shashikant Movani, Production Head  
 Samir Champaklal Doshi, Marketing Head

**Companies / Entities owned / significantly influenced by directors**

Shree Ansuayaben Chhabildas Shah Charitable Trust

**Companies / Entities owned / significantly influenced by relatives of directors**

Sonam Tradelink LLP

**b. Related Party Transactions**

**Key Management Personnel & Shareholder**

Name of Related Parties	Transation	Amt. (Rs. in Laacs)	
		2021-22	2020-21
<b>Transactions</b>			
Jayeshbhai C. Shah	Loans & Advances Received	1,061.00	1,247.00
Deepaben J. Shah	Loans & Advances Received	185.00	-
Jayeshbhai C. Shah	Loans & Advances Repaid	1,099.00	1,090.00
Deepaben J. Shah	Loans & Advances Repaid	55.00	-
Jayeshbhai C. Shah	Advances Given for Purchase of Land	-	182.86
Deepaben J. Shah	Advances Given for Purchase of Land	-	182.86
Jayeshbhai C. Shah	Purchase of Land	301.50	-
Deepaben J. Shah	Purchase of Land	301.50	-
Jayeshbhai C. Shah	Directors' Remuneration	75.60	-
Deepaben J. Shah	Directors' Remuneration	75.60	-
Rutvi J Shah	Directors' Remuneration	-	1.50
Harshil J Shah	Directors' Remuneration	21.60	-
Jigar Dipakbhai Mehta	Director Sitting Fees	-	0.12
Shreyansh Vijaybhai Vora	Director Sitting Fees	-	0.12
Amitbhai Jamnadas Vaghajiyani	Salary	6.00	6.00
Samir Champaklal Doshi	Salary	6.00	4.80
Milankumar Ganatra	Salary	2.40	2.40
Shree Ansuayaben Chhabildas Shah Charitable Trust	Donation	3.78	10.00
Jayeshbhai C. Shah	Interest Paid	3.72	-
Jayeshbhai C. Shah	Rent Paid	0.03	0.06
Deepaben J. Shah	Rent Paid	0.03	0.06
<b>Closing Balances Dr/(Cr)</b>			
Jayeshbhai C. Shah	For Loan Liability	(148.00)	(186.00)
Deepaben J. Shah	For Loan Liability	(130.00)	-
Jayeshbhai C. Shah	Advances Given for Purchase of Land	-	182.86
Deepaben J. Shah	Advances Given for Purchase of Land	-	182.86
Jayeshbhai C. Shah	Directors' Remuneration Payable	(4.41)	-
Deepaben J. Shah	Directors' Remuneration Payable	(4.41)	-
Harshil J Shah	Directors' Remuneration Payable	(1.53)	-
Milankumar Ganatra	For Salary Payable	(0.25)	(0.20)
Amitbhai Jamnadas Vaghajiyani	For Salary Payable	(0.50)	(0.50)
Samir Champaklal Doshi	For Salary Payable	(0.50)	(0.40)

**Companies / Entities owned / significantly influenced by relatives of directors**

Name of Related Parties	Transation	Amt. (Rs. in Laacs)	
		2021-22	2020-21
Sonam Tradelink LLP	Sales (Incl. Taxes, net of discount)	122.87	133.20
Sonam Tradelink LLP	Annual Discount on Sales	34.25	-
Sonam Tradelink LLP	Purchase (Incl. taxes)	5.55	5.77
Sonam Tradelink LLP	Commission Exp (Incl. Tax)	11.77	6.58
<b>Closing Balances Dr/(Cr)</b>			
Sonam Tradelink LLP	Trade Receivables	36.81	96.20

11 The company has taken certain premises, godown & land under cancelable operating leases. The total rental expenses under cancelable operating lease during the year was Rs. 0.06 Laacs (Rs. 0.12 Laacs)

**SONAM CLOCK LIMITED**

- 12 Based on the information / documents / parties identified by the company and to the extent information available / gathered, information as required to be disclosed as per Micro, Small and Medium Enterprise Development Act, 2006 have been determined as follows:

Particulars	Rs. In Lacs	
	2021-2022	2020-2021
Principal amount remaining unpaid to any supplier at the end of the year.	40.52	-
Interest due on above *	0.04	-
Amount of interest paid by the company to the suppliers	Nil	Nil
Amount paid to the suppliers beyond respective due dates *	*	*
Amount of interest due and payable for the period of delay in payments but without adding the interest specified under the Act. *	*	*
Amount of interest accrued and remaining unpaid at the end of the year.	*	*
Amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise.*	*	*
<small>* Whatever information the company could identify as above were possible at the year end only, and in view of the same &amp; according to the company, it could not identify payments beyond due date during the year and to make interest provisions to that extent, as per the agreed terms with the suppliers. The company could identify the principal amount remaining unpaid as on 31st March, 2022 based on the status of respective suppliers received during the year. However, as informed by the management, considering the materiality aspect and as per the agreed terms with respective suppliers, the company has not made provision of any interest due to suppliers for outstanding balance / payment made beyond respective due dates.</small>		

Contingent Liabilities*	Amt. Rs.in Lacs	
	2021-22	2020-21
(i) Outstanding LC / BG		
LC Outstanding	Nil	69.86
(ii) Pending Litigations:		
Central Excise Matters under dispute & under adjudication	Nil	35.01
Value Added Tax (VAT) Matters under dispute & under adjudication	151.14	130.31

\* Contingent liability produced here in above on the basis of information compiled by the management of the company

**14 Right of Use and Lesae Liability:**

The Company adopted Ind AS 116 "Leases", applied to material contracts having lease component existing on the transition date using the modified retrospective method. Accordingly, comparatives for the year ended 31st March, 2021 have been retrospectively adjusted. The Company has measured the Right of Use Assets (RoU) and Lease Liability based on remaining lease period. On such date, the adoption of new standard resulted in recognition of RoU and Lease Liability of Rs. 1.29 Lacs. The effect of this adoption is insignificant on the profits of the period and earnings per share. Further, the said lease obligation is discontinued in FY 21-22.

**Disclosures:**

Particulars	Amt. (Rs. in Lacs)
<b>Right of Use</b>	
Initial Recognition on Transition date i.e. 1 <sup>st</sup> April, 2020	1.29
Add : Additions	-
(Less) : Amortisation (Depreciation) on ROU Assets	(0.01)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>1.28</b>
Add : Additions	-
(Less) : Amortisation (Depreciation) on ROU Assets	(0.01)
(Less) : ROU discontinued	1.27
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>-</b>
<b>Lease Liabilities</b>	
Balance as at 1 <sup>st</sup> April, 2020	1.29
Add : Finance Cost accrued during the period	0.12
(Less) : Payments of Lease Liabilities	(0.12)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>1.29</b>
Add : Lease liabilities recognized in 21-22	-
Add : Finance Cost accrued during the period	0.06
(Less) : Payments of Lease Liabilities	(0.06)
(Less) : ROU discontinued	1.29
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>-</b>
<b>Gain on ROU discontinued</b>	<b>0.02</b>

- 15 The reconciliation of net profit or loss reported in accordance with India GAAP to total comprehensive income in accordance with Ind AS is given below:

Sr. No.	Particulars	(Rs. in Lacs)	
		Year Ended 31.03.2021	
1	Net Profit / (Loss) as per Previous GAAP (Indian GAAP)	332.35	
2	Add : Measurement of Borrowings Cost at Effective Interest Rate in Retained Earnings	1.96	
3	Add : ROU and Lease impact as per Ind AS 116	0.00	
4	Change Depreciation on account of Revaluation	(21.92)	
5	Tax impact on Ind AS Adjustments (Including those of revaluation)	31.35	
6	<b>Net Profit / (Loss) as per Ind AS (1+2+3+4+5) (Incl. Other Comprehensive Income)</b>	<b>343.73</b>	

- 16 The reconciliation of net profit or loss reported in accordance with India GAAP to total comprehensive income in accordance with Ind AS is given below:

Sr. No.	Particulars	(Rs. in Lacs)	
		Year Ended 31.03.2021	As At 01.04.2020
1	Other Equity as per IGAAP	2,113.77	1,781.42
2	Add : Measurement of Borrowings Cost at Effective Interest Rate in Retained Earnings	5.04	3.08
3	Add : ROU and Lease impact as per Ind AS 116	0.00	-
4A	Revaluation of land & building	1,613.93	826.25
4B	Change Depreciation on account of Revaluation	(21.92)	-
5	Tax impact on Ind AS Adjustments (Including those of revaluation)	(291.41)	(107.97)
6	<b>Net Profit / (Loss) as per Ind AS (1+2+3+4+5) (Incl. Other Comprehensive Income)</b>	<b>3,419.41</b>	<b>2,502.79</b>

**SONAM CLOCK LIMITED**

**17 Additional Regulatory Information:**

**a Analytical Ratios:**

Sr. No.	Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% Variance	Reason for variance (In case of change exceeding 25%)
1	Current ratio (times)	Current Assets	Current Liabilities	1.30	1.49	-12.81%	-
2	Debt equity ratio (times)	Long Term Debt	Shareholder's Equity	0.30	0.34	-10.39%	-
3	Debt service coverage ratio (times)	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	1.19	2.27	-47.39%	On account of completion of moratorium period in 21-22.
4	Return on Equity (%)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	7.35%	8.68%	-15.30%	-
5	Inventory turnover ratio (times)	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	4.04	4.38	-7.66%	-
6	Trader receivable turnover ratio (times)	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	12.30	8.27	48.76%	Ratio has improved as there is increase of 9.79% growth in revenue from operations in 21-22
7	Trade payable turnover ratio (times)	Net Credit Purchases (gross credit purchases minus purchase return )	Average Accounts Receivable (Opening + Closing balance / 2)	15.25	13.28	14.81%	-
8	Net capital turnover ratio (times)	Net Sales (total sales minus sales returns)	Average Working Capital	8.41	7.30	15.13%	-
9	Net profit ratio (%)	Net Profit	Net Sales	3.89%	4.32%	-9.99%	-
10	Return on capital employed (%)	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	13.16%	13.57%	-3.05%	-
11	Return on investment (%)	Return (Earning before interest and taxes )	Investment (Avg. of Total Assets)	7.39%	8.15%	-9.33%	-
12	Interest service coverage ratio (times)	Earning before interest and taxes	Interest Cost	3.15	3.58	-12.08%	-

- b** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- c** The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved
- d** The Company does not have any transactions with struck-off companies.
- e** The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period, except for hypothecation of one vehicle for vehicle loan availed.
- f** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- g** The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- h** The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i** The Company does not have any transactions which is not recorded in the books of accounts but 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).
- j** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**SONAM CLOCK LIMITED**

- 18 In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets and loans and advances are approximately of the same value as stated.
- 19 Balances of Trade Payables, Unsecured Loans, Trade Receivables, Long-term and Short-term Loans & Advances, other current liabilities and other current assets and Non-Current Investments are subject to the confirmation of the parties concerned. Wherever confirmation of the parties for the amounts due to them / amounts due from them as per books of accounts are not received, necessary adjustments, if any, will be made when the accounts are reconciled / settled.
- 20 Wherever no vouchers and documentary evidences were made available for our verification, we have relied on the authentication given by management of the company.
- 21 Figures have been rounded off to nearest lac rupee upto two decimals as per the requirements of Schedule III, unless otherwise stated and have been regrouped, rearranged and reclassified wherever necessary.

Signature to Notes 1 to 29

As per our attached report of even date  
**FOR, SVK & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 118564W

For and on behalf of the Board  
**For SONAM CLOCK LTD.**

Sd/-  
**Shilpang V. Karia**  
Partner  
M. No. - 102114  
UDIN: 22102114AJREAG8389

Sd/-  
**Jayeshbhai C. Shah**  
Chairman & MD  
DIN : 00500814

Sd/-  
**Deepaben J. Shah**  
Whole Time Director  
DIN : 01981533

Sd/-  
**Amitbhai J. Vaghjiyani**  
Chief Financial Officer

Sd/-  
**Milankumar Ganatra**  
Company Secretary

Place : Morbi  
Date : 26th May, 2022

Place : Morbi  
Date : 26th May, 2022