

# AARTECH SOLONICS LIMITED

An ISO 9001 : 2008 Certified Company



**Date: 06/09/2021**

**To,  
The Listing Department,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Fort, Mumbai – 400 001, India**

Dear Sir/Ma'am

Scrip Code: 542580

Sub: 39<sup>th</sup> Annual Report of AARTECH SOLONICS LIMITED.

Please find attached herewith a copy of 39<sup>th</sup> Annual Report of the company in compliance of Regulation 34(1) of SEBI (LODR), 2015.

We hereby request you to take the above information on your record.

Thanks & Regards,

**For Aartech Solonics Limited**

  
**Amit Anil Raje**  
**Managing Director**  
**DIN: 00282385**



**REGD. OFFICE** : "ASHIRWAD", E-2/57, Arera Colony, Bhopal-462016 Tel. : 91-755-4276335, 2463593 Mob. : 9993091168, 9993091167  
e-mail : info@aartechsolonics.com

**MANDIDEEP UNIT** : 35-A/36, Sector-B, Industrial Area, Mandideep Dist. Raisen-462 046 Tel. : 91-7480-233020 Mob. : 9993091168, 9993091167

All Correspondence should be addressed to Regd. Office at Bhopal

**CIN-L31200MP1982PLC002030**

**AARTECH SOLONICS LIMITED**  
**39th ANNUAL REPORT**



**2020-2021**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Amit Anil Raje	:	Chairman & Managing Director
Mr. Anil Anant Raje	:	Non-Executive Director
Ms. Arati Nath	:	Executive Director & CEO
Mr. Prashant Dattatray Lowlekar	:	Non-Executive & Independent Director
Mr. Kshitij Negi	:	Non-Executive & Independent Director

### **KEY MANAGERIAL PERSONNEL**

Mr. Amit Anil Raje	:	Managing Director
Ms. Arati Nath	:	Chief Executive Officer
Mr. Pradeep Vasant Narkhede	:	Chief Financial Officer
Mr. K R Tanuj Reddy	:	Company Secretary & Compliance Officer

### **BOARD COMMITTEES**

#### • **AUDIT COMMITTEE**

Mr. Prashant Dattatray Lowlekar	:	Chairman
Mr. Kshitij Negi	:	Member
Mr. Amit Anil Raje	:	Member

#### • **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Kshitij Negi	:	Chairman
Mr. Prashant Dattatray Lowlekar	:	Member
Mr. Anil Anant Raje	:	Member

#### • **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Kshitij Negi	:	Chairman
Mr. Anil Anant Raje	:	Member
Mr. Amit Anil Raje	:	Member

### **BANKERS**

HDFC Bank

### **STATUTORY AUDITOR**

M/s S. Ramanand Aiyer & Co. (FRN: 005313C)  
Chartered Accountants

### **SECRETARIAL AUDITOR**

M/s APVN & Associates  
Company Secretaries

### **REGISTRAR AND TRANSFER AGENT**

#### **Bigshare Services Pvt. Ltd.**

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East,  
Mumbai – 400 059 (MH)  
Tel.: +91 22 6263 8200  
Email: info@bigshareonline.com  
Website: www.bigshareonline.com

### **REGISTERED OFFICE**

E-2/57, Ashirvad, Arera Colony, Bhopal –  
462016 (MP)  
**Tel.:** +91 755 4276335  
**Email :** treddy@aartechsolonics.com  
**Website :** www.aartechsolonics.com  
**CIN :** L31200MP1982PLC002030  
**ISIN :** INE01C001018  
**BSESME SCRIP ID/CODE:** AARTECH/  
542580

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## LETTER TO THE SHAREHOLDERS

I hope this letter finds you all safe and healthy – free from the scars of the multiple waves of the pandemic – which continues to present a real threat to society at large at a global level.

Your company has continued to persevere through the challenging times. I am pleased to share that your company has been operative throughout the pandemic in compliance with government regulations and guidelines with several agile adaptations in its workings. Besides that, your company has engaged in various initiatives to mitigate the serious challenges due to the COVID-19 situation at a grass-root level.

Your company takes this opportunity to acknowledge the support and contributions from its Board of Directors. Your company appreciates the wholesome contribution of Sh. Ravi Shingwekar who served at the post of independent director for many years. Your company welcomes its new independent director Sh. Kshitij Negi and wishes the very best for his tenure in the company.

I am pleased to share that your company got the rare privilege of being amongst the selected few companies handpicked by the Indian Army to provide emergency supplies of its latest ultracapacitor based jump starting devices for Class A Vehicles in light of the tense border situation. I am also pleased to share that your company has bagged a pioneering first-of-its-kind technology demonstration project in Indian context for a pulse power application using ultracapacitors for a reputed government research lab. Your company looks to consolidate its offerings for the defence sector through this and other associated initiatives.

Consolidating on its in-house strengths, your company has invested in several technology development as well as manufacturing initiatives that have lead to direct import substitution across multiple product / customer segments.

I am also pleased to report that your company has successfully built and type tested an enclosure for a 33kV rated Current Limiting Protector (CliP) from M/s G&W Electric Co., USA for a major petrochemical project in India. Your company now stands in the esteemed company of discerning multinational companies worldwide with such proven offerings.

Your company's subsidiaries are advancing in their respective objectives. Paradigm Ultracapacitors Pvt. Ltd. has progressed in being able to deliver industry ready offerings in energy storage. AIC-Aartech Solonics Pvt. Ltd., supported by Atal Innovation Mission, NITI AAYOG has continued to engage with the startup ecosystem in India and abroad and focusing on building win-win prospects with all its stakeholders.

A look at the numbers will indicate that your company has maintained and marginally improved its top line and bottom line despite the disruptions abound due to COVID-19. This is largely due to agile

efforts from the executive team at AARTECH, innovative techno-marketing initiatives, adaptations to our product mix and effective client interactions.

Your company is looking at its strength in innovation and entrepreneurship; coupled with its young and dynamic workforce; to deal with the visible challenges and leverage the new opportunities in new horizons that are emerging. This may require several pivots with departures from the past with a great deal of resilience as new learnings emerge.

As your company recently completed its 2nd year of listing and a step closer to meeting requirements for main board listing, it continues towards its long-term vision to unlock value for all its stakeholders. Your company looks forward to your continued support into the future towards this vision.

With warm wishes for a safe and healthy future in Corona times.

**Amit Anil Rajee**  
**CMD, Aartech Solonics Limited**  
**DIN: 00282385**

**06th September, 2021.**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 39th Annual General Meeting of the members of **Aartech Solonics Limited** (CIN L31200MP1982PLC002030) will be held on Wednesday, the 29th Day of September, 2021 at 04:00 P.M at the registered office of the Company at E-2/57, Ashirvad, Arera Colony, Bhopal, Madhya Pradesh, 462016 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board of Directors and Auditors' thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To declare final dividend on equity shares at the rate 5% [i.e., Re. 0.50/- (Rupee Fifty Paise Only) per Equity Share] for the financial year ended 31 March, 2021.
3. To appoint a director in place of Amit Anil Rajee (DIN: 00282385), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself 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 the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Anil Rajee (DIN: 00282385), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as the Managing Director of the Company, liable to rotation."

### **SPECIAL BUSINESS:**

4. 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and all other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Mr. Kshitij Negi (DIN: 09046425), who meets the criteria for

independence as provided in Section 149(6) of the Act along with the rules framed there-under, and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as Independent Director of the Company for a term of five years commencing February 08<sup>th</sup>, 2021 to February 07<sup>th</sup>, 2026, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof) be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**5. RE-APPOINTMENT OF INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION**: -

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the consent of the members be and is hereby accorded for the re-appointment of Mr. Prashant Dattatray Lowlekar (DIN: 08041377) as an Independent Director of the Company for his second consecutive term for a period of five years with effect from February 27<sup>th</sup>, 2022 on the Board of the Company.

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

**6. TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**: -

**"RESOLVED THAT** pursuant to provisions of Section 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force); the consent of the members of the Company be and is hereby accorded, to increase Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each to Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rs. 10/- each by creation of additional 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- each.

**RESOLVED FURTHER THAT** pursuant to provisions of Section 13, 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules framed thereunder; the consent of the members of the Company be and is



hereby accorded, for substituting Clause V of the Memorandum of Association of the Company with the following clause:

V. The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rupees 10/- (Ten Only) each.”

**7. TO APPROVE THE ISSUANCE OF BONUS SHARES**

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**: -

**“RESOLVED THAT** pursuant to Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force) read with Regulation 293 and other relevant provisions, laid down in Chapter XI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable provisions of Article of Association of the Company 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 for issue upto 35,30,047 equity shares of Rs. 10/- each as bonus shares of an aggregate nominal value upto Rs. 3,53,00,470/- (Rupees Three Crore Fifty-Three Lac Four Hundred and Seventy Only), as bonus shares to the shareholders out of the Securities Premium Account.

**RESOLVED FURTHER THAT:**

- a. The bonus issue of shares will be made in the ratio of 1:2 [i.e. 1 (One) fully paid up equity shares for every 2 (Two) equity shares held] to the shareholders on such date (Record Date) as may be determined by the board of director(s) after approval of Shareholders in general meeting.
- b. The Equity Shares so issued shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes pari-passu with the existing equity shares of the Company.
- c. Share Certificates shall be issued to those to whom the bonus shares are allotted within the time prescribed in the Companies Act, 2013. With regard to the shares held in dematerialized form, the Bonus shares will be credited to the respective demat account of the holders.
- d. No members shall entitle to a fraction of an equity shares as a result of implementation of this resolution and no certificate or coupon or cash shall be issued for fraction of equity shares and the bonus shall be rounded to the lower integer.
- e. All fractions of bonus equity shares shall be ignored and accordingly the number of issuance of bonus share may be reduced.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Director of the Company be and is hereby authorized to do all acts, deeds, matters and things necessary, proper or desirable and

to sign and execute all necessary documents, authority letters, applications and returns with Stock Exchange, SEBI, Superintendent of Stamps, NSDL, CDSL, RTA or any other authority.”

**By Order of the Board of Directors of  
Aartech Solonics Limited**

**Sd/-  
Amit Anil Raje  
Chairman & Managing Director  
DIN: 00282385**

**Place: Bhopal  
Dated: 06/09/2021**

**Registered Office:  
E-2/57, Ashirvad, Arera Colony,  
Bhopal- 462016 (MP)**

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and same person shall not act as Proxy for any other person or shareholder.
3. The instrument appointing the Proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified true copy of the relevant Board of Directors resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. The Register of Members and the Share Transfer books of the Company will remain closed from 22nd day of September 2021 to 29th day of September, 2021 (both days inclusive) for the purpose of the Annual General Meeting.
6. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 21st September, 2021, only shall be entitled to avail facility of voting at the venue of the meeting. A person who is not a member as on the cutoff date should treat this notice for information purpose only.
7. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote as provided in the Notice convening the Meeting, which is available on the website of the Company.
8. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. In view of this the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner: The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. Electronic copy of the Annual Report including Notice of the 39th Annual General Meeting of the Company inter-alia indicating the manner of voting along with Attendance Slip, Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant (s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company will also be made available on the Company's website [www.aartechsolonics.com](http://www.aartechsolonics.com).
9. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
10. 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.

11. 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.
12. The Board of Directors has appointed Mr. Avadhesh Parashar, Company Secretary in Practice (M. No. A23783, COP No. 9067) as Scrutinizer for conducting the voting process in a fair and transparent manner.
13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
14. With reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (ICDR) Regulations, 2009 are exempted from e-voting provisions. Your Company is listed on SME platform of BSE and therefore Company is not providing e-voting facility to its shareholders.
15. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
16. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.
17. Route-map to the venue of the Meeting is provided in this Notice.
18. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement 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.

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:**

<b>Name</b>	<b>Kshitij Negi</b>	<b>Prashant Dattatray Lowlekar</b>
DIN	09046425	08041377
Date of first appointment at the Board	08/02/2021	27/02/2018
Date of Birth	28/04/1973	30/05/1966
Qualification	MBA (Marketing) from Sydenham, Mumbai	Chartered Accountant
Nature of expertise in specific functional areas	Specializing in Organizational Development and Leadership Coach	Practicing Chartered Accountant
Directorship in the Boards of other Indian listed entities	Nil	Nil
Membership/ Chairmanship in Committees of other Indian listed entities	Nil	Nil

**Annexure to the notice of Annual General Meeting**

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

The following Statement sets out all material facts relating to the **Special Business** in the Notice:

**Item No. 4 Change in designation of Kshitij Negi (DIN: 09046425) from Additional Independent Director to Independent Director**

The Board of Directors of the Company ('the Board') at the meeting held on 06<sup>th</sup> September, 2021 on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the appointment of Mr. Kshitij Negi (DIN: 09046425) as Independent Director of the Company with effect from February 08<sup>th</sup>, 2021 to February 07<sup>th</sup>, 2026, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to his appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Mr. Kshitij Negi, his association would benefit the company. Declarations have been received from Mr. Kshitij Negi that he meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (App

The Directors recommend the aforesaid resolution for the approval by the members as **Ordinary Resolution**.

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

**Item No. 5 Extension in Appointment of Prashant Dattatray Lowlekar (DIN: 08041377 as an Independent Director for another term of 5 (Five) years.**

As per the provisions of Section 149, Section 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, the Company had appointed Mr. Prashant Dattatray Lowlekar as an Independent Director as per the requirement of the Companies Act, 2013 for a term of 4 years. Since, Mr. Prashant Dattatray Lowlekar as Independent Director of the Company will be completing one term on February 27, 2022, he being further eligible for re-appointment for one more term. The Performance evaluation of the Independent Directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of criteria's such as Transparency, Analytical Capabilities, Performance, Leadership, Ethics and ability to take balanced decisions regarding stakeholders, etc.

Accordingly, based on the report of performance evaluation of the Independent Directors, the Nomination & Remuneration Committee has recommended reappointment of Mr. Prashant Dattatray Lowlekar as Independent Director for a second term of 5 (Five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considered that, given his background and experience and

contributions made by him during his tenure, the continued association of Mr. Prashant Dattatray Lowlekar, would be beneficial to the Company and it is desirable to continue to avail his services as an Independent & Non-Executive Director.

The Company has received declaration from the Independent Director conforming that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the said Act for reappointment as Independent Director.

The Board recommends the Resolution as set out in Item No. 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than the Independent Director for his respective reappointment, is in any way concerned or interested in the said Resolution, as set out in Item No. 5 of the Notice.

**Item No. 6 To increase the Authorised Share Capital of the Company and amend the Capital clause in the Memorandum of Association**

At present the Authorised Share Capital of the Company is 10,00,00,000 (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each out of which paid up share capital of the Company is Rs. 7,06,00,940 (Rupees Seven Crore Six Lacs Nine Hundred and Forty Only) divided into 70,60,094 (Seventy Lacs Sixty Thousand and Ninety-Four) equity shares of Rs. 10/- each.

The Board of Directors of the Company in its meeting held on Monday, September 06, 2021 have recommended the issuance of bonus shares in the ratio of 1:2 [i.e. 1 (One) fully paid up equity shares for every 2 (Two) equity shares held.] If the resolution for issuance of bonus shares as recommended by the Board shall be approved by the members of the Company, then additional 3530047 paid up equity shares shall be allotted to the members post completion of process of bonus issue. So, the total paid up share capital post bonus issue shall be Rs. 10,59,01,410/- which shall exceed the present Authorised Share Capital of the Company. So, in view of the proposed issuance of bonus shares, the present Authorised Share Capital of the Company need to be increased from Rs. 10 Crore to Rs. 15 Crore by creation of additional 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- each. Further, in view of increasing the Authorised Share Capital it is also necessary to amend Clause V of the Memorandum of Association to increase the Authorised Share Capital from Rs. 10 Crore to Rs. 15 Crore.

As per the provisions of Sections 13 & 61 of the Companies Act, 2013, approval of the shareholders is required to be accorded for alteration in the Memorandum of Association and for increasing the Authorised Share Capital of the Company by way of passing a Special Resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 6 for the approval of the Members by way of passing a Special Resolution.

Pursuant to Section 102 of Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise in the aforesaid resolution.

**Item No. 7 To approve the issuance of Bonus Share**

As you all are aware that the Company's shares have been listed on EMERGE platform of Bombay Stock Exchange since March 27, 2019. Over the years, the Company has performed significantly well both in terms of profit and business. As on March 31, 2021 total free reserves and surplus of the Company is Rs. 20.83 crore including Security Premium Account of Rs. 5.09 crore. With a view to capitalize the Security Premium Account and to rationalize the capital structure, Board of Directors in its meeting held on Monday, September 06, 2021 have proposed to issue bonus shares at the ratio of 1:2 [i.e. 1 (One) fully paid up equity share for every 2 (Two) equity shares held]. This bonus allotment will also rationalize the paid-up capital of the company with the funds employed in the company.

As per the provisions of Sections 63 of the Companies Act, 2013, approval of the shareholders is required to be accorded for issuance of Bonus Shares to the members of the Company by way of passing a Special Resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 7 for the approval of the Members by way of passing a Special Resolution.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution

**By Order of the Board of Directors of  
Aartech Solonics Limited**

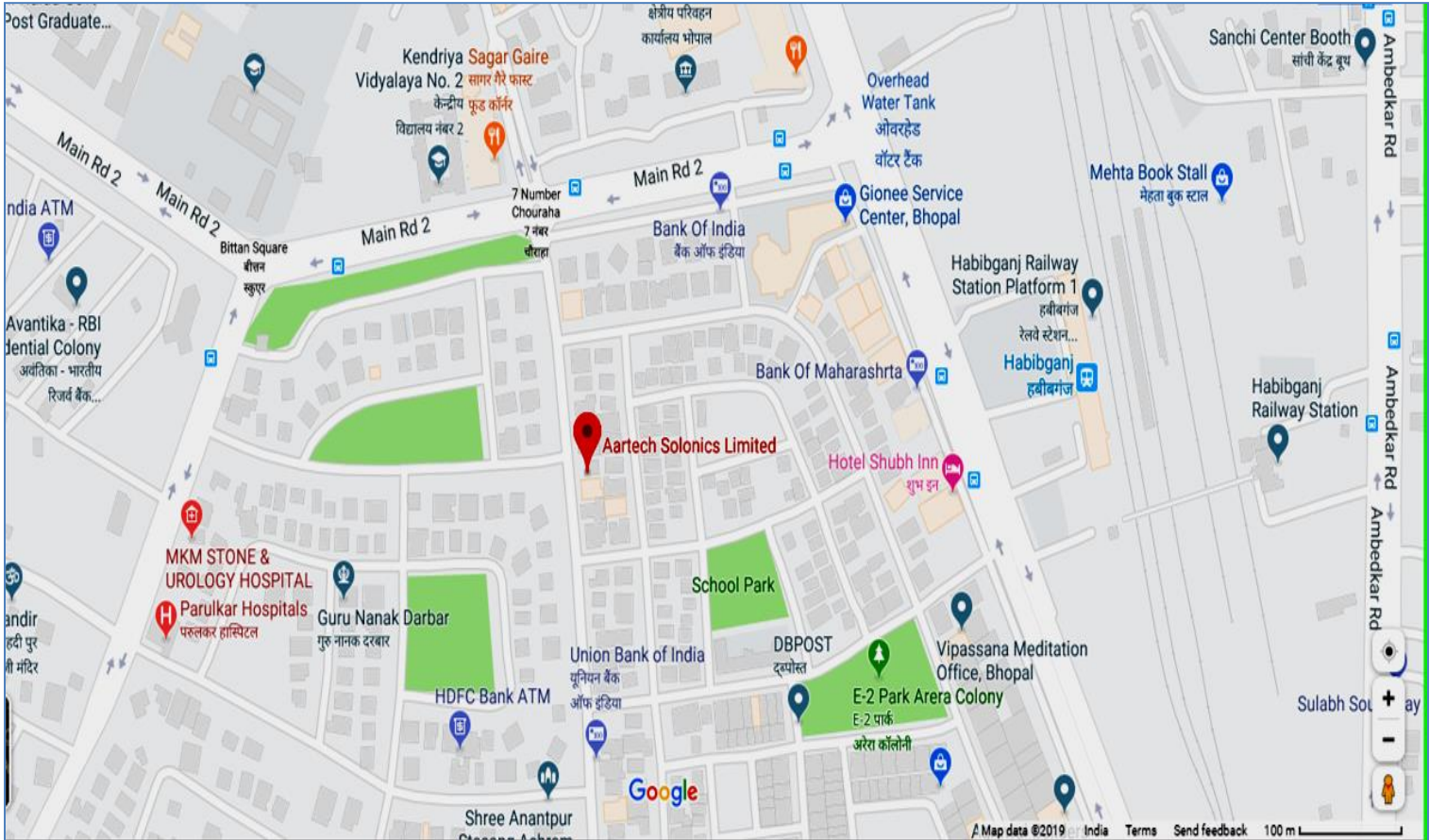
**Sd/-  
Amit Anil Raje  
Managing Director  
DIN: 00282385**

**Place: Bhopal  
Dated: 06/09/2021**

**Registered Office:  
E-2/57, Ashirvad, Arera Colony,  
Bhopal- 462016 (MP)**



**ROUTE MAP TO THE AGM VENUE**



## DIRECTOR'S REPORT

**To,**  
**The Shareholders,**  
**Aartech Solonics Limited**  
 Bhopal

Your Directors are pleased to present the 39th Annual Report on the business performance and operations of your Company together with the Audited Financial Statements and the Auditor's Report for the financial year ended March 31, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### 1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

Financial results of the Company for the year under review are as follow: -

PARTICULARS	Standalone		Consolidated	
	Year ended 31st March 2021	Year ended 31 <sup>st</sup> March 2020	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Revenue from Operations	10,92,82,561	10,04,40,048	10,95,85,424	10,09,92,804
Other Income	94,37,734	78,16,856	58,35,764	48,82,215
<b>Total Revenue</b>	<b>11,87,20,295</b>	<b>10,82,56,904</b>	<b>11,54,21,188</b>	<b>10,58,75,019</b>
Less: Expenses	<b>(10,85,52,957)</b>	<b>(10,10,24,938)</b>	<b>(11,08,19,635)</b>	<b>(10,62,56,806)</b>
Profit before Finance Cost, Depreciation/ Amortisation Expenses & Tax	1,01,67,338	72,31,966	46,01,553	(3,81,787)
Exceptional Items	-	-	-	-
Profit before Depreciation/ Amortisation Expenses & Tax	1,01,67,338	72,31,966	46,01,553	(3,81,787)
Less: Depreciation/ Amortisation Expenses	-	-	-	-
<b>Profit/ (Loss) before tax</b>	<b>1,01,67,338</b>	<b>72,31,966</b>	<b>46,01,553</b>	<b>(3,81,787)</b>
Current Tax	17,50,487	12,00,584	17,50,487	12,00,584

Deferred Tax	33,994	1,19,537	2,73,482	3,65,555
<b>Net Profit/ (Loss) after tax</b>	<b>83,82,857</b>	<b>59,11,845</b>	<b>25,77,584</b>	<b>(19,47,926)</b>

## **2. BRIEF DESCRIPTION OF THE COMPANY'S OPERATIONS DURING THE YEAR / STATE OF COMPANY'S AFFAIR**

### **STANDALONE**

During the current period, your company has shown increase in total revenue of Rs. 11,87,20,295/- as against Rs. 10,82,56,904/- in the previous year. The Company has earned a net profit of Rs. 83,82,857/- as compared to profit of Rs. 59,11,845/- in the previous year. The Company continues to pursue expansion in the domestic market, to achieve sustainable and profitable growth.

### **CONSOLIDATED**

During the current period, your company has shown increase in total revenue of Rs. 11,54,21,188/- as against Rs. 10,58,75,019/- in the previous year. The Company has earned a net profit of Rs. 25,77,584/- as compared to loss of Rs. 19,47,926/- in the previous year.

## **3. NATURE OF BUSINESS**

There was no change in the nature of Business of the Company during the Financial Year.

## **4. DIVIDEND**

Your directors are pleased to recommend a final dividend of Re. 0.50/- per equity share of face value of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2021.

The Final Dividend subject to the approval of Members at the Annual General Meeting on Wednesday, 29<sup>th</sup> September, 2021, will be paid to the Members whose names appear in the Register of Members, as on the Book Closure date, i.e., from Wednesday, 22<sup>nd</sup> day of September 2021 to Wednesday, 29<sup>th</sup> day of September, 2021 (both days inclusive). In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of Final Dividend after deduction of tax at source.

## **5. SHARE CAPITAL**

The paid-up equity share capital as at March 31, 2021 is Rs. 7,06,00,940/- (Rupees Seven Crore Six Lakh Nine Hundred Forty only). There is no change in paid-up share capital of the company during the year.

**6. RESERVES**

The Company has transferred Rs. 83,82,857/- to its Reserves during the year.

**7. UTILIZATION OF IPO FUND**

The Initial Public Offer fund has being utilized for the purpose for which it is raised as mentioned in the prospectus.

**8. DEPOSITS**

Your Company has not invited/accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and Rules made there under, during the year under review.

**9. CORPORATE GOVERNANCE**

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a) Listed entity having paid up equity share capital not exceeding Rs. 10 Crore and Net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- b) Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2020-2021.

**10. EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed format is appended to this Report as Annexure I and also available on the website of the company at [www.aartechsolonics.com](http://www.aartechsolonics.com).

**11. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES**

The Company has two subsidiary companies namely AIC-Aartech Solonics Private Limited and Faradigm Ultracapacitors Private Limited.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements for the financial year ended on March 31, 2021.

### 13. BOARD EVALUATION, INDUCTION AND TRAINING OF BOARD MEMBERS

Pursuant to the provisions of the Companies Act, 2013 and under obligations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carries out the annual performance evaluation of its own performance, of the Directors individually as well as the evaluation of working of its various Committees. A structured questionnaire is prepared after taking into consideration the inputs received from Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### 15. BOARD OF DIRECTORS & COMMITTEES THEREOF

#### a) Composition of the Board of Directors

The Board of the Company is composed of individuals from diverse fields. The Board of the Company is composed of Executive, Non-Executive and Independent Directors.

As on March 31, 2021, the strength of the Board of Directors of the Company was at Five Directors comprising of Two Executive, One Non-Executive and Two Non-Executive Independent Directors. The details of the Board of Directors as on March 31, 2021 are given below:

Name of the Director	Designation	Date of Appointment	No. of Directorships / Committee Memberships / Chairmanships			
			Public Limited Companies (including this)	Private Limited Companies (including this)	Committee Memberships (including this)	Committee Chairmanships (including this)
Mr. Amit Anil Raje	Chairman & Managing Director	01/04/2007	1	2	2	Nil
Ms. Arati Nath	CEO & Director	12/05/2020	1	3	Nil	Nil
Mr. Anil Anant Raje	Non-executive Director	24/08/1982	1	2	2	Nil
Mr. Prashant Dattatray Lowlekar	Non-executive Independent Director	27/02/2018	1	Nil	2	1
Mr. Kshitij Negi	Non-executive	08/02/2021	1	Nil	3	2

	Independent Director					
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The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulations, 2015.

All the Independent Directors had furnished to the Company a declaration under Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations.

## b) Board Meetings

The Board/Committee meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

During the financial year under review, 6 (Six) Board meetings were held on May 12, 2020, June 29, 2020, September 02, 2020, November 13, 2020, November 26, 2020 and February 08, 2021. The gap between two Board meetings was in compliance with the provisions of the Act and the SEBI (LODR) Regulations, 2015. Details of Directors as on March 31, 2021 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2021 are given below:

Type of Meeting	Name of Directors						
	Mr. Anil Anant Rajee	Mr. Amit Anil Rajee	Ms. Arati Nath	Ms. Poonam Jaideep Mulherkar	Mr. Kshitij Negi	Mr. Ravindra Kumar Shingwekar	Mr. Prashant Dattatray Lowlekar
BM (12/05/2020)	√	√	X	√	X	√	√
BM (29/06/2020)	√	√	X	X	X	√	√
BM (02/09/2020)	√	√	√	X	X	√	√
BM (13/11/2020)	√	√	√	X	X	√	√
BM (26/11/2020)	√	√	√	X	X	√	√
BM (08/02/2021)	√	√	√	X	X	√	√
AGM (24/09/2020)	√	√	√	X	X	√	√

**c) Audit Committee**

The Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 comprising of Mr. Prashant Dattatray Lowlekar, Mr. Kshitij Negi and Mr. Amit Anil Raje.

Mr. Prashant Dattatray Lowlekar, Independent Director, is the Chairman of the Audit Committee.

Mr. Kshitij Negi on account of resignation of Mr. Ravindra Kumar Shingwekar occupied the position of member in the Audit Committee on February 08, 2021.

During the financial year ended on March 31, 2021, 5 (Five) meeting of the Audit Committee were held on May 12, 2020, June 29, 2020, September 02, 2020, November 13, 2020 and February 08, 2021 which were attended by all the members of the Committee.

**d) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee in terms of the provisions of Section 178 of the Companies Act, 2013 comprising of Mr. Prashant Dattatray Lowlekar, Mr. Kshitij Negi and Mr. Anil Anant Raje.

Mr. Kshitij Negi, Independent Director, is the Chairman of the Nomination and Remuneration Committee who on account of resignation of Mr. Ravindra Kumar Shingwekar occupied the position of Chairman and member in the Nomination and Remuneration Committee on February 08, 2021.

During the financial year ended on March 31, 2021, 5 (Five) meeting of the Nomination and Remuneration Committee was held on May 12, 2020, June 29, 2020, September 02, 2020, November 13, 2020 and February 08, 2021 which was attended by all the members of the Committee.

**e) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee in terms of the provisions of Section 178 of the Companies Act, 2013 comprising of Mr. Kshitij Negi, Mr. Anil Anant Raje and Mr. Amit Anil Raje.

Mr. Kshitij Negi, Independent Director, is the Chairman of the Stakeholders Relationship Committee who on account of resignation of Mr. Ravindra Kumar Shingwekar occupied the position of Chairman and member in the Stakeholders Relationship Committee on February 08, 2021.

During the financial year ended on March 31, 2021, 5 (Five) meeting of the Stakeholders Relationship Committee were held on May 12, 2020, June 29, 2020, September 02, 2020, November 13, 2020 and February 08, 2021 which were attended by all the members of the Committee.

## **16. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Sec. 134 (5) of the Companies Act, 2013, the Directors confirm that:

- i. in preparation of the annual accounts for the year ended March 31, 2021 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. appropriate accounting policies have been selected and applied and such judgment and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at March 31, 2021 and of the profit of the company for the year ended that date.
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. the annual accounts have been prepared on a "going concern "basis.
- v. proper internal financial controls are laid down and are adequate and operating effectively.
- vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and operating effectively.

## **17. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

All transactions entered into with Related Parties (as defined under the Companies Act, 2013) during the financial year were in the ordinary course of business and on an arm's length pricing basis, and do not attract the provisions of Section 188 of the Companies Act, 2013 and were within the ambit of Reg. 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant transactions with related parties during the financial year which were in conflict with the interests of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

Form AOC-2 as required under the Companies Act, 2013 for related party transaction is annexed as Annexure III to the Directors Report.

## **18. RISK MANAGEMENT**

During the financial year under review, the Company has identified and evaluates elements of business risk. Consequently, a Business Risk Management framework is in place. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business.



## **19. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNING**

### **A. Conservation of Energy**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company during the financial year under review.

### **B. Technology Absorption**

The Company is doing its business by ensuring optimum utilization of its available resources. Your company has not taken any research & development activity so far.

### **C. Foreign Exchange Earnings and Outgo**

There are no foreign exchange earnings and out-go during the financial year.

## **20. POLICIES:**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated the formulation of certain policies for all listed companies. In compliance with the same, the Company has formulated the policies.

### **POLICY ON NOMINATION AND REMUNERATION POLICY**

The policy of the Company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a director and other matters provided under sub - section (3) of Section 178 of the Companies Act, 2013 was framed on the recommendation of Nomination and Remuneration Committee and approved by the Board.

The key objective of this policy is selection, appointment of and remuneration to Key Managerial Personnel, Directors and Senior Management Personnel.

### **RELATED PARTY TRANSACTIONS AND POLICY**

The Company has developed a related party transactions framework through standard operating procedures for the purpose of identification and monitoring of transactions with the related parties.

None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

### **CODE OF CONDUCT**

In Compliance with Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, The Company has laid down the Code of Conduct for all Board members and senior management of the Company.

All the Board members and senior management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2021. The Managing Director has also confirmed and certified the same. The certification is annexed at the end of this report.

### **VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Company has implemented a vigil mechanism policy (Whistle blower policy), whereby the employees can raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. The policy safeguards the whistle blower and also provides a direct access to the Chairman of Audit Committee. During this year no complaints were received under this mechanism nor has any personnel been denied access to the Audit Committee.

### **21. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

### **22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS**

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

### **23. ADEQUACY OF INTERNAL CONTROL SYSTEM**

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

### **24. STATUTORY AUDITOR**

M/S. S. Ramanand Aiyer & Co., Chartered Accountants (Firm Registration No. 000990N) were appointed as the statutory auditor of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on September 24, 2020, to hold office from the conclusion of the Thirty-Eighth AGM till conclusion of the Forty-First AGM to be held in the year 2023.

The Report given by the Auditor on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditor in their Report.

**25. SECRETARIAL AUDITOR**

The Board has appointed M/s. APVN & Associates, Company Secretaries, to conduct Secretarial Audit for the Financial Year 2020-21. The Secretarial Audit Report for the Financial Year ended March 31, 2021 is attached to this Report in Annexure IV.

**26. COST AUDIT**

Provision of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company during the financial year under review.

**27. PARTICULARS OF EMPLOYEES**

The information required under section 197 of the Companies Act, 2013 read with Rule 5(1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are not applicable to the Company during the financial year.

**28. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report under requirements of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, forms part of this Annual Report for the year ended 31st March 2021.

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

The Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

No complaints were received by the company during the year for sexual harassment.

In order to build awareness in this area, the Company has been conducting programs in the organization on a continuous basis.

**30. CAUTIONARY STATEMENT**

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

### **31. APPRECIATIONS AND ACKNOWLEDGMENTS**

The Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by the Regulatory Authorities, Company's Bankers, Customers, Shareholders and other business constituents during the year under review. It will be your Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

The Directors also wish to place on record their appreciation for all round co-operation and contribution made by employees.

**For and on behalf of the Board  
Aartech Solonics Limited**

**Place: Bhopal  
Dated: 06/09/2021**

**Sd/-  
Amit Anil Raje  
Managing Director  
(DIN: 00282385)**

**Sd/-  
Arati Nath  
Director  
(DIN: 08741034)**

**ANNEXURE I**

**Form No. MGT 9  
EXTRACT OF ANNUAL RETURN  
[As on Financial Year ended on 31.03.2021]**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L31200MP1982PLC002030
2.	Registration Date	24/08/1982
3.	Name of the Company	Aartech Solonics Limited
4.	Category / Sub-category of the Company	Company Limited by Shares and an Indian Non-Government Company
5.	Address of the Registered Office and Contact details	E-2/57, Ashirvad, Arera Colony, Bhopal - 462016 (MP) Tel.: +91 755 4276335 Email: treddy@aartechsolonics.com Website: www.aartechsolonics.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of The Registrar & Transfer Agent, if any	<b>Bigshare Services Pvt. Ltd.</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400 059 (MH) Tel.: +91 22 6263 8200 Email: info@bigshareonline.com Website: www.bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of Product or Service	NIC Code of Product / Service	% of Total Turnover of the Company
1.	Manufacture of Electrical Machinery and Apparatus N.E.C.	Division 31	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	AIC- Aartech Solonics Private Limited	U74999MP2017PTC043330	Subsidiary	99%	87(ii)
2.	Faradigm Ultracapacitors Private Limited	U74999MP2017PTC043840	Subsidiary	95%	87(ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual / HUF	2492000	-	2492000	35.30	2492000	-	3492000	35.30	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	1205890	-	1205890	17.08	1205890	-	1205890	17.08	-
<b>Sub-total (A) (1):-</b>	<b>3697890</b>	<b>-</b>	<b>3697890</b>	<b>52.38</b>	<b>3697890</b>	<b>-</b>	<b>3697890</b>	<b>52.38</b>	<b>-</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Promoter Shareholding (A) = (A)(1) + (A)(2)</b>	<b>3697890</b>	<b>-</b>	<b>3697890</b>	<b>52.38</b>	<b>3697890</b>	<b>-</b>	<b>3697890</b>	<b>52.38</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-

Funds										
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others – Market Maker	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	-	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>	-	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	209551	34810	244361	3.46	210867	20529	231396	3.28	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	1490307	7220	1497527	21.21	1739640	46667	1786307	25.30	-	-
c) Any Others	1620316	-	1620316	22.95	1328000	16501	1344501	19.04	-	-
d) Others - HUF	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	<b>3320174</b>	<b>42030</b>	<b>3362204</b>	<b>47.62</b>	<b>3278507</b>	<b>83697</b>	<b>3362204</b>	<b>47.62</b>	-	-
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>3320174</b>	<b>42030</b>	<b>3362204</b>	<b>47.62</b>	<b>3278507</b>	<b>83697</b>	<b>3362204</b>	<b>47.62</b>	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>7018064</b>	<b>42030</b>	<b>7060094</b>	<b>100</b>	<b>6976397</b>	<b>83697</b>	<b>7060094</b>	<b>100</b>	<b>0.00</b>	

**ii. Shareholding of Promoters and Promoters Group**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e April 01, 2020			Shareholding at the end of the year i.e March 31, 2021			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
1.	Anil Anant Raje	1558667	22.08	-	1558667	22.08	-	-
2.	Chhaya Anil Raje	933333	13.22	-	933333	13.22	-	-
3.	Amit Anil Raje	1021067	14.46	-	1021067	14.46	-	-
4.	Poonam Jaideep	93333	1.32	-	93333	1.32	-	-

	Mulherkar							
5.	Arati Nath	91490	1.30	-	91490	1.30	-	-

**iii. Change in Promoters' Shareholding**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3697890	52.38	-	-
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	<b>There is no change in Promoters and Promoter Group Shareholding during the financial year 2020-21.</b>			
	At the end of the year	3697890	52.38	-	-

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (as on the financial year ended on March 31, 2021)**

Sr. No.	Shareholders Name For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Prajakta Shashikant Kulkarni				
	At the beginning of the year	1092000	15.47	-	-
	At the end of the year	-	-	1092000	15.47
2.	Ashtamangal Projects Limited				
	At the beginning of the year	480000	6.80	-	-
	At the end of the year	-	-	612000	8.67
3.	Kanak Steel Mills Pvt Ltd				
	At the beginning of the year	224000	3.17	-	-
	At the end of the year	-	-	224000	3.17
4.	Nikesh Agro Farms and Infrastructure Private Ltd				
	At the beginning of the year	220000	3.12	-	-
	At the end of the year	-	-	220000	3.12
5.	Santosh Kumar Pandey				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	196000	2.78
6.	Manoj Kumar Chaturvedi				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	164000	2.32



7.	Swastika Investmart Limited				
	At the beginning of the year	148316	2.10	-	-
	At the end of the year	-	-	140000	1.98
8.	Pradeep Vasant Narkhede				
	At the beginning of the year	179120	2.54	-	-
	At the end of the year	-	-	131120	1.85
9.	Fortune Futures Private Limited				
	At the beginning of the year	88000	1.25	-	-
	At the end of the year	-	-	88000	1.25
10.	Vivek Jayant Dikey				
	At the beginning of the year	59640	0.84	-	-
	At the end of the year	-	-	59640	0.84

**v. Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anil Anant Raje	1558667	31.55	-	-
	At the end of the year	-	-	1558667	22.08
2.	Amit Anil Raje	1021067	20.66	-	-
	At the end of the year	-	-	1021067	14.46
3.	Arati Nath	91490	1.85	-	-
	At the end of the year	-	-	91490	1.30
4.	Prashant Dattatray Lowlekar	0	0	-	-
	At the end of the year	-	-	0	0
5.	Kshitij Negi	0	0	-	-
	At the end of the year	-	-	0	0
6.	Pradeep Vasant Narkhede	179120	2.54	-	-
	At the end of the year	-	-	131120	1.85
7.	K R Tanuj Reddy	0	0	-	-
	At the end of the year	-	-	0	0

**V. INDEBTEDNESS (Amt. in Rs.):**
**Indebtedness of the Company including interest outstanding/ accrued but not due for payment-**

Particulars	Secured Loans excluding deposit	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the year</b>				
• Principal Amount	1,73,58,4551	-	-	1,73,58,4551
• Interest due but not paid	-	-	-	-
• Interest accrued but not due	-	-	-	-

<b>Total</b>	<b>1,73,58,455</b>	-	-	<b>1,73,58,455</b>
<b>Change in Indebtedness during the year</b>				
• Addition	-	-	-	-
• Reduction	86,03,028	-	-	86,03,028
<b>Net Changes</b>	<b>(86,03,028)</b>	-	-	<b>(86,03,028)</b>
<b>Indebtedness at the end of the year</b>				
• Principal Amount	87,55,427	-	-	87,55,427
• Interest due but not paid	-	-	-	-
• Interest accrued but not due	-	-	-	-
<b>Total</b>	<b>87,55,427</b>	-	-	<b>87,55,427</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**
**A. Remuneration to Managing Director, Whole-time Directors, and Key Managerial Personnel:**

Sr. No.	Particulars of Remuneration	Amit Anil Raje	Arati Nath	Pradeep Vasant Narkhede	K R Tanuj Reddy	Total Amount
		Managing Director	CEO & Director	Chief Financial Officer	Company Secretary	
1.	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	17,96,503	17,58,587	6,41,412	5,67,280	47,63,782
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- As % of Profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>17,96,503</b>	<b>17,58,587</b>	<b>6,41,412</b>	<b>5,67,280</b>	<b>47,63,782</b>

**B. Remuneration to Other Directors:**

Sr. No.	Particulars of Remuneration	Ravindra Kumar Shingwekar (Independent Director)	Prashant Dattatray Lowlekar (Independent Director)	Anil Anant Raje (Non-executive Director)	Kshitij Negi (Independent Director)	Total Amount
<b>1</b>	<b>Independent Directors</b>					
	- Fee for attending board committee meetings	30,000	30,000	15,000	-	75,000
	- Commission	-	-	-	-	-
	- Others please specify	-	-	-	-	-

	<b>Total (1)</b>	<b>30,000</b>	<b>30,000</b>	<b>15,000</b>	<b>-</b>	<b>75,000</b>
<b>2</b>	<b>Other Non-Executive Directors</b>					
	- Fee for attending board committee meetings	60,000	60,000	-	-	1,20,000
	- Commission	-	-	-	-	-
	- Others please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Total (B) = ( 1 + 2 )</b>	<b>60,000</b>	<b>60,000</b>	<b>-</b>	<b>-</b>	<b>1,20,000</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

**For and on behalf of the Board  
Aartech Solonics Limited**

**Place: Bhopal  
Dated: 06/09/2021**

**Sd/-  
Amit Anil Raje  
Managing Director  
(DIN: 00282385)**

**Sd/-  
Arati Nath  
Director  
(DIN: 08741034)**

**ANNEXURE II**
**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**
**Part "B": Subsidiaries Company**
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

<b>Name of associates/Joint Ventures</b>	<b>AIC-Aartech Solonics Private Limited</b>	<b>Faradigm Ultracapacitors Private Limited</b>
1. Latest audited Balance Sheet Date	15/06/2021	15/06/2021
2. Shares of Associate/Joint Ventures held by the company on the year end		
- No.	9900	9500
- Amount of Investment in Associates/Joint Venture	Rs. 99,000.00/-	Rs. 95,000.00/-
- Extend of Holding%	99.00%	95.00%
3. Description of how there is significant influence	The Company is holding 99.00% shares of AIC-Aartech Solonics Private Limited	The Company is holding 95.00% shares of Faradigm Ultracapacitors Private Limited
4. Reason why the associate/joint venture is not consolidated	--	--
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 0.00/-	Rs. 0.00/-
6. Profit/Loss for the year		
i. Considered in Consolidation	Rs. (27,15,219.00)/-	Rs. (30,90,054.00)
ii. Not Considered in Consolidation	--	--

**ANNEXURE III**
**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 subsection (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.**

A. Details of contract or arrangement or transactions not at arms' length basis: **Nil**

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

B. Details of contract or arrangement or transactions at arms' length basis:

	<b>Name(s) of the related party and nature of relationship</b>	<b>AIC-Aartech Solonics Pvt Ltd</b>	<b>Faradigm Ultracapacitors Pvt Ltd</b>
a.	Nature of contract /arrangements/transaction	<ul style="list-style-type: none"> <li>• Investment in Equity Shares</li> <li>• Unsecured Loan</li> <li>• Interest Income on Unsecured Loan</li> <li>• Investment in 8% Fully Convertible Debentures</li> <li>• Interest Income on Debentures</li> <li>• Job Work Expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Unsecured Loan</li> <li>• Investment in Equity Shares</li> <li>• Interest Income on Unsecured Loan</li> <li>• Investment in 8% Fully Convertible Debentures</li> <li>• Interest Income on Debentures</li> <li>• Purchases</li> </ul>
b.	Duration of contract /arrangements/transaction	On Going	On Going
c.	Salient terms of contract /arrangements/transaction including the value, if any,	<ul style="list-style-type: none"> <li>• Rs. 100,000</li> <li>• Rs. 30,07,639</li> <li>• Rs. 7,01,746</li> <li>• Rs. 2,00,00,000</li> <li>• Rs. 10,17,410</li> <li>• Rs. 2,42,095</li> </ul>	<ul style="list-style-type: none"> <li>• Rs. 30,07,639</li> <li>• Rs. 95,000</li> <li>• Rs. 6,61,472</li> <li>• Rs. 2,50,00,000</li> <li>• Rs. 16,02,436</li> <li>• Rs. 8,43,744</li> </ul>

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d.	Date(s) of approval by the Board	12/05/2020	12/05/2020
e.	Amount paid as advances, if any	Nil	Nil

**ANNEXURE IV**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**  
[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the  
Companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,  
The Members,  
AARTECH SOLOMONICS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AARTECH SOLOMONICS 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 AARTECH SOLOMONICS LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by AARTECH SOLOMONICS LIMITED for the financial year ended on 31st March, 2021, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
6. Other Laws applicable to the Company;
- i. Factories Act, 1948 and Rules made there under
  - ii. Payment of Bonus Act 1965, & Rules, 1965
  - iii. Maternity Benefit Act 1961 & Rules
  - iv. Employees Compensation Act, 1923 & Rules.
  - v. Minimum Wages Act, 1948, Minimum Wages Act Central Rules 1950
  - vi. Child Labour (P&R) Act 1986 & Rules.
  - vii. Payment of Wages Act 1936
  - viii. Employees State Insurance Act 1948
  - ix. Employees PF & Miscellaneous Provisions Act 1952
  - x. Contract Labour (Regulation & Abolition) Act 1970
  - xi. Indian Contract Act, 1872
  - xii. Payment of Gratuity Act, 1972
  - xiii. Industrial Employment (Standing Orders) Act, 1946
  - xiv. Equal Remuneration Act, 1976
  - xv. Workmen's Compensation Act, 1923
  - xvi. Apprentices Act 1961
  - xvii. The Competition Act, 2002
  - xviii. Consumer Protection Act, 2019
  - xix. Transfer of Property Act 1882
  - xx. Indian Stamp Act, 1899
  - xxi. Registration Act, 1908
  - xxii. Specific Relief Act, 1963
  - xxiii. Negotiable Instruments Act, 1881
  - xxiv. Trade Marks Act, 1999

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE SME).

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For APVN & ASSOCIATES

Date: 06/09/2021  
Place: Bhopal  
UDIN: A023783C000906082

Sd/-  
CS AVADHESH PARASHAR  
ACS No. 23783  
C.P. No.: 9067

To,  
The Members,  
AARTECH SOLONICS LIMITED  
E-2/57, ARERA COLONY BHOPAL MP 462016

Our Secretarial Audit Report of even date, for the financial year ended on 31<sup>st</sup> March, 2021 is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper system to ensure compliance with the provision of all applicable laws and regulation and to ensure that the system are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affair of the company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For APVN & ASSOCIATES

Date: 06/09/2021  
Place: Bhopal  
UDIN: A023783C000906082

Sd/-  
CS AVADHESH PARASHAR  
ACS NO. 23783  
C.P. No.: 9067

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Our Company was originally incorporated as “Aartech Solonics Private Limited” on August, 24th, 1982 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Later on, the company got converted into public limited company and the name of the company was changed to – “Aartech Solonics Limited” and fresh certificate of incorporation dated April 23rd, 1992 was issued by the Registrar of the companies, Gwalior, Madhya Pradesh.

Aartech Solonics Limited is a system solution oriented R&D enterprise in the field of specialized and selected energy appliances. The company is involved in the manufacturing of electricity distribution & control apparatus [electrical apparatus for switching or protecting electrical circuits (e.g. switches, fuses, voltage limiters, surge suppressors, junction boxes etc.) for a voltage exceeding 1000 volts; similar apparatus (including relays, sockets etc.) for a voltage not exceeding 1000 volts; boards, panels, consoles, cabinets and other bases equipped with two or more of the above apparatus for electricity control or distribution of electricity including power capacitors

Our history of being in the Energy sector goes back to 1982, and as a Limited company, it was registered in the year 1992. Since then, we have been providing technical expertise to all our customers in expanding energy market across the globe. The company is known for its rich credentials in the highly specialized field of fast bus transfer systems for medium voltage installations in power plant & process industries. Aartech BTS – 2000 Micro processor based fast bus transfer system, sets the highest international benchmarks for providing critical process continuity solutions to the industry.

We aim to be a multi-product, multi-technologist company which provides a platform for technologists to step on and contribute effectively to technology development without having to inordinately deal with business setup issues. Also, to be an efficiently structured, IT enabled, delegated and organized outfit. To be optimally resourced for growth, and to use resources optimally for growth. To maintain an ethical corporate environment both within and without. To be a responsible corporate citizen and follow universally accepted ideals.

### **"Revised Vision & Mission Statement of Aartech Solonics Limited 2019"**

#### **VISION:**

To be a leading Financially stable & strong group of enterprising companies operating in the field of either selected or specialized or Innovative Engineered products or services or solutions in a wide arena comprising of Technology based Multi Domain Business Activities.

**MISSION:**

To develop and run profitably a strong & resilient, multilevel, multi locational, multi structured, multi cultural, multinational, Aartech promoted & Aartech inspired, group of companies, carrying Aartech values to achieve & excel the Aartech Vision.

The first leg of the Vision & Mission Statement will have a period of 6 years starting 1st April 2019 finishing at 31st March 2025 and shall comprise of following major Goal Posts.

1. Net Turnover of Group companies: Excess of Rs. 100 Cr.
2. Net profits of Group companies : Excess of 20 Cr growing @ an average rate of 15-25% year on year.
3. Aartech becomes an established Small / Medium level script on the Main stock exchanges in India and attempts to list at least on one of the exchanges abroad.
4. The listed average script price quotes around a multiple of 10 times the initial listed price of Rs. 34 per share.
5. Aartech establishes on its own or in partnership at least one manufacturing set up and at least two or more sales and services setups abroad.
6. Establishes a sound Board of Directors including Independent Directors, with at least 3 -5 eminent personalities from different facets of society comprising of Industry, Startups, Incubation, Social Innovation, Cultural, Finance, Economics, Advertising, Arts, Armed Forces, Judiciary etc.
7. Establish a practise of at least one Employee representation on a rotational basis based on the Best Employee of the year as selected by a committee consisting of a Director, CEO, CFO, COO & a Departmental head selected by the M.D. The committee shall be headed by an Independent Director of the company.

**Tenure of the Vision & Mission Statement:**

The tenure of this Vision & Mission statement shall remain unchanged till 31st March 2025, except for minor modifications additions etc.

**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 2020-21

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

Sr. No.	Name of Director	Remuneration	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration for the year ended March 31, 2021
1.	Amit Anil Raje Chairman & Managing Director	17,96,503	12.60:1	NIL
2.	Arati Nath CEO & Director	17,58,587	12.33:1	NIL

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

Sr. No.	Name of Director	Designation	Ratio to MRE of the employees
3.	Anil Anant Raje	Non-Executive Director	NA
4.	Ravindra Kumar Shingwekar (Resigned)	Independent Director	0.42:1
5.	Prashant Dattatray Lowlekar	Independent Director	0.42:1
6.	Kshitij Negi	Independent Director	NA

**Note:** The remuneration of the Non-Executive Directors & Independent Directors comprises of only sitting fees paid to them for attending the meetings of the Board and other committee meetings. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

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

Sr. No.	Name of Director	Designation	% increase in Remuneration for the year ended March 31, 2021
6.	Pradeep Vasant Narkhede	CFO	NA
7.	K R Tanuj Reddy	Company Secretary & Compliance Officer	NA

**DECLARATION BY THE CEO UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE CODE OF CONDUCT**

In accordance with Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2021.

**By Order of the Board of Directors of  
Aartech Solonics Limited**

**Sd/-  
Arati Nath  
Chief Executive Officer**

**Place: Bhopal**

**Dated: 06/09/2021**

**Registered Office:**

E-2/57, Ashirvad, Arera Colony, Bhopal,  
462016, Madhya Pradesh

**CEO/CFO CERTIFICATION TO THE BOARD**

[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

We, Arati Nath, Chief Executive Officer (CEO) and Mr. Pradeep Vasant Narkhede, Chief Financial Officer (CFO) of Aartech Solonics Limited appointed in terms of provision of the Companies Act 2013, do hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended on March 31, 2021 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2021 which are fraudulent, illegal or violative of the Company's code of conduct;
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Bank and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- Significant changes in internal control over the financial reporting during the financial year 2020-21.
  - Significant changes in accounting policies during the financial year 2020-21 and that the same have been disclosed in the notes to the financial statements; and
  - 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 the financial reporting.

**Place: Bhopal**  
**Dated: 06/09/2021**

**Sd/-**  
**Arati Nath**  
**CEO**

**Sd/-**  
**Pradeep Vasant Narkhede**  
**CFO**

## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
**Aartech Solonics Limited**  
**Bhopal**

### **Report on Financial Statements**

We have audited the accompanying Financial Statements of AARTECH SOLONICS LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the statement of Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

### **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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or



error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view procedures in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit, and its cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the 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, 2014;
  - e. On the basis of written representations received from the Directors as on March 31, 2021 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2021 from being appointed as a Director in terms of section 164(2) of the Act;
  - f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us:
    - I. The Company does not have any pending litigations which would impact its financial position.

- II. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- III. There has been no delay in transferring amounts if any, to the Investor Education and Protection Fund by the Company.

**For S. Ramanand Aiyer & Co.**

Chartered Accountants

FRN – 000990N

**Sd/-**

**CA Amit Singhvi**

Partner

(Membership No.: 129331)

Place: Bhopal

Date: June 15, 2021

UDIN: 21129331AAAAKI6492

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Issued under Companies (Auditor's Report) Order, 2020)

**Referred to in our Report of even date**

- 1a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has carried out physical verification of its fixed assets during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- 2a. The inventories have been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion, the procedures of verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion, the Company has maintained proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
- 3a. The Company has granted loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations provided to us, the terms and conditions of the grant of such loans are prima facie not prejudicial to the Company's interest.
- b. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are not regular.
- c. The Principal and interest are overdue in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
4. In our opinion and according to the information and explanations provided to us, the Company has granted loans to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with provisions of Sections 73 to 76 of the Act and rules framed there under.
6. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for any products of the Company.
- 7.a. According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Wealth Tax, Goods and Service Tax etc. with appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Wealth Tax, Goods and Service Tax and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- b. According to the records of the Company, no dues of Income Tax, Service Tax, Wealth Tax, Goods and Service Tax, Sales Tax, Value Added Tax etc. are outstanding on account of any dispute.
8. According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income tax act, 1961.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institution or debentures holders during the year.
10. (a) In our opinion and according to the information and explanations provided by the management, the Company has partly utilized the money raised by way of Public offer for the purposed for which they were raised.  
  
(b) In our opinion and according to the information and explanations provided by the management, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
11. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
12. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

13. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. (a) The Company has an internal audit system commensurate with the size and nature of the business.  
  
(b) The report of the Internal Auditor for the period under audit was considered by the statutory auditor.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him referred to in section 192 of Companies Act, 2013.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
17. The Company has not incurred cash losses during the current and immediately preceding financial year. The Provision of Section 15(1) of the Sick Industrial Companies Act, 1985 shall not be applicable to the Company.
18. According to the information and explanations provided to us, statutory auditor has not given any resignation during the year, and hence, reporting requirements under this clause of the Order are not applicable to the Company and, not commented upon.
19. According to the information and explanations provided to us, on the basis of the financial ratios and expected dates of realization of financial assets, payment of financial liabilities and other information accompanying the financial statements, no material uncertainty exists as on the date of the audit report.

**For S. Ramanand Aiyer & Co.**  
*Chartered Accountants*

Sd/-  
**CA Amit Singhvi**  
Partner  
(Membership No.: 129331)

Place: Bhopal  
Date: June 15, 2021  
UDIN: 21129331AAAAKI6492

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	2	7,06,00,940	7,06,00,940
Reserves & Surplus	3	20,83,52,027	19,99,69,170
<b>Non-Current Liabilities</b>			
Long term Borrowings		-	-
Deferred Tax Liabilities (Net)	4	6,64,677	6,30,683
<b>Current Liabilities</b>			
Short Term Borrowings	5	87,55,427	1,73,58,455
Trade Payables	6	1,48,60,259	1,75,91,422
Other Current Liabilities	7	8,67,700	46,03,038
Short Term Provisions	8	70,63,572	16,81,332
<b>TOTAL</b>		<b>31,11,64,602</b>	<b>31,24,35,040</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
- Tangible Assets	9	2,19,91,663	2,29,83,902
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
Non-Current Investments	10	6,11,14,451	2,91,94,451
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	11	6,35,23,450	9,08,22,850
Other Non Current Assets		-	-
<b>Current Assets</b>			
Current Investments	12	5,88,90,997	7,46,19,168
Inventories	13	2,02,81,115	2,82,93,921
Trade Receivables	14	6,34,99,824	4,54,09,151
Cash and Bank Balances	15	99,48,942	76,00,661
Short Term Loans and Advances	16	83,31,999	94,17,909
Other Current Assets	17	35,82,161	40,93,027
<b>TOTAL</b>		<b>31,11,64,602</b>	<b>31,24,35,040</b>

Significant accounting policies and notes to financial statements are given in note 1 to 29

The accompanying notes are integral part of the Financial Statements

**Signed in terms of our report of even date**

For **S. Ramamand Aiyer & Co.**  
Chartered Accountants  
FRN – 000990N

For and on behalf of the Board of Directors

Sd/-  
**CA Amit Singhvi**  
Partner  
(Membership No. 129331)  
**UDIN: 21129331AAAAKI6492**  
Place: Bhopal  
Date: June 15, 2021

Sd/-  
**Amit A. Rajee**  
Chairman &  
Managing  
Director

Sd/-  
**Arati Nath**  
Chief Executive  
Officer

Sd/-  
**Pradeep Narkhede**  
Chief Financial Officer

Sd/-  
**K.R. Tanuj Reddy**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>REVENUES</b>			
Revenue from operations	18	10,92,82,561	10,04,40,048
Other Income	19	94,37,734	78,16,856
<b>TOTAL REVENUE</b>		<b>11,87,20,295</b>	<b>10,82,56,904</b>
<b>EXPENDITURES</b>			
Cost of materials consumed	20	5,45,05,136	5,16,94,700
Change in inventories of finished goods and work in process	21	31,62,112	26,31,149
Employee benefit expenses	22	2,72,14,595	2,51,27,077
Finance costs	23	16,08,783	9,52,768
Depreciation and amortization expenses	24	21,05,459	19,09,191
Other expenses	25	1,99,56,872	1,87,10,053
<b>TOTAL EXPENSES</b>		<b>10,85,52,957</b>	<b>10,10,24,938</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>1,01,67,338</b>	<b>72,31,966</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>1,01,67,338</b>	<b>72,31,966</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>1,01,67,338</b>	<b>72,31,966</b>
<b>Tax Expense</b>			
Current Tax	26	17,50,487	12,00,584
Deferred Tax	27	33,994	1,19,537
<b>Profit for the year</b>		<b>83,82,857</b>	<b>59,11,845</b>
<b>Earnings per equity share (Par value of Rs. 10 each)</b>			
Basic (₹)		1.19	0.84
Diluted (₹)		1.19	0.84

Significant accounting policies and notes to financial statements are given in note 1 to 29

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For **S. Ramamand Aiyer & Co.**

Chartered Accountants

FRN - 000990N

For and on behalf of the Board of Directors

Sd/-

**CA Amit Singhvi**

Partner

(Membership No. 129331)

UDIN: 21129331AAAAKI6492

Place: Bhopal

Date: June 15, 2021

Sd/-

**Amit A. Rajee**

Chairman &

Managing

Director

Sd/-

**Arati Nath**

Chief Executive

Officer

Sd/-

**Pradeep Narkhede**

Chief Financial Officer

Sd/-

**K.R. Tanuj Reddy**

Company Secretary

## **Notes on Financial Statements for the Year ended 31st March, 2021**

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended and as applicable from time to time) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention on Going Concern basis.

The accounting policies and estimates adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below (if any).

#### **1.2 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

During the year ended 31 March 2021, the Schedule III notified under the Companies Act, 2013, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of these financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### **PREVIOUS YEAR NUMBERS**

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. 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.

#### **1.3 USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.



## **1.4 REVENUE RECOGNITION**

Revenue on sale of goods is recognized when property in the goods is transferred to the buyer for a price, or when all significant risks and rewards of ownership have been transferred to the buyer and no effective control is retained by the Company in respect of the goods transferred, to a degree usually associated with ownership, and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.

Revenue on transactions of rendering services is recognized under the completed service contract method. Contract is regarded as completed when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the services.

## **1.5 INVENTORIES**

- i. Finished goods and work in progress are valued at lower of historical cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. By products are valued at net realizable value. Cost of finished goods and by-products includes excise duty. Cost is determined on a weighted average basis.
- ii. Stores, Spares and Raw Materials are valued at lower of historical cost or net realizable value. However, materials & other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- iii. Historical cost is determined on the basis of weighted average method.
- iv. Obsolete stocks are identified once every year on the basis of technical evaluation and are charged off to revenue.
- v. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## **1.6 INVESTMENTS**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost individually. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in case of long-term investments.

## **1.7 FIXED & INTANGIBLE ASSETS**

### ***Tangible Fixed Assets***

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss if any. While arriving at the historical cost, all costs, including net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets, and including financing costs till commencement of commercial production or the date the asset is put to use or bringing the asset to its working condition for intended use, are capitalized.

### ***Intangible Fixed Assets***

Capital Expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as Intangible Assets in accordance with principles given under AS-26 - Intangible Assets issued by the Institute of Chartered Accountants of India. These are grouped and separately shown under the schedule of Fixed Assets. These are amortized over their respective expected useful lives. Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

## **1.8 EXPENSES INCURRED DURING CONSTRUCTION PERIOD**

Direct expenditure on projects or assets under construction or development is shown under capital work-in-progress.

The progress / milestone based payments made under the contracts for projects and assets under construction or development and other capital advances are considered as advances on capital account until the same are allocated to fixed assets, capital work-in-progress, and expenditure during construction and other relevant accounts, as applicable.

Expenditure incidental to the construction of projects or assets under construction or development that take substantial period of time to get ready for their intended use is accumulated as expenditure during construction, pending allocation to fixed assets and other relevant accounts, as applicable.

## **1.9 DEPRECIATION & AMORTISATION**

Depreciation on fixed assets is provided as per straight line method. Depreciation is computed as per Part "C" of Schedule II of The Companies Act 2013.

Depreciation on additions / deductions to fixed assets made during the year is provided on a pro-rata basis from / up to the date of such additions / deductions, as the case may be.

Intangible assets are amortized over the best estimate of their useful lives; subject to a rebuttable presumption that such useful lives will not exceed ten years.

## **1.10 IMPAIRMENT OF ASSETS**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is

reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognized in prior accounting periods.

### **1.11 FOREIGN CURRENCY TRANSACTIONS**

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long-term liabilities, where they relate to acquisition of fixed assets/ in which case they are adjusted to the carrying cost of such assets.

### **1.12 RESEARCH AND DEVELOPMENT**

The Company maintains an in-house Research & Development Facility which has been recognized by the Department of Scientific & Industrial Research, Ministry of Science & Technology, and Government of India during the current financial year. The Company accounts for the Revenue Expenditure on research and development facility including salaries, consumables and power & fuel separately and the same is disclosed separately under respective heads of expenditure in the Statement of Profit and Loss. Capital expenditure to the research & development facility is shown as addition to fixed assets and disclosed separately.

### **1.13 EMPLOYEES BENEFITS**

Expenses and liabilities in respect of employee benefits are recorded as under.

#### ***i. Provident Fund & ESI***

The Company makes contribution to statutory provident fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

#### ***ii. Gratuity***

Gratuity is a post-employment benefit. The Company has formed a gratuity trust with Life Insurance Corporation of India during the year ending March 31, 2013. The annual provision is determined by the Life Insurance Corporation and the same is paid by the Company to be used as Gratuity Fund. Before April 1, 2012, the Company did not make any provisions in the books of accounts for future liability on account of gratuity payable in the event of retirement of any of its employees or directors. The amount of gratuity due and payable was recorded as an expense in the year in which the liability to pay the same arises.

**iii. Leave Encashment**

Leave encashment is recorded in the books of the Company as and when the same arises and becomes payable. The Company does not make any provisions in the books of account for leave encashment becoming due or expected after the balance sheet date.

**iv. Short-term employee benefits** are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

**v. Post-employment and other long term employee benefits** are recognized as an expense in the Profit and Loss account in the year in which the employee has retired/ resigned and the amount has become payable.

#### **1.14 LEASES**

Leases, where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

In case of finance leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss account.

#### **1.15 TAXES ON INCOME**

Tax expense comprises of current and deferred. Provision for Current Tax is made in accordance with the provisions of Income Tax Act, 1961.

In accordance with Accounting Standard AS-22 'Accounting for Taxes on Income' as notified by Companies Accounting Standard Rules, 2006, Deferred Tax Liability/ Asset arising from timing differences between book and income tax profits is accounted for at the current rate of tax to the extent these differences are expected to crystallize in later years. However, deferred Tax Assets are recognized only if there is a reasonable/ virtual certainty of realization thereof.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Tax on distribution of dividend is recognized on the basis of proposed dividend and the provision is made in the books of accounts.

#### **1.16 GOVERNMENT GRANTS AND SUBSIDIES**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

#### **1.17 BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **1.18 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

A **provision** is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**A contingent liability** is recognized for:

- i. A present obligation that arises from past events but is not recognized as a provision because either the possibility that an outflow of resources embodying economic benefits will be required to settle the obligation is remote or a reliable estimate of the amount of the obligation cannot be made.
- ii. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

**Contingent assets** are neither accounted for nor disclosed in the financial statements.

#### **1.19 EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted

average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary. Any loss or gain on sale / redemption of investments is recognized in the profit and loss account.

## **1.20 CUSTOMS DUTY/ GOODS AND SERVICE TAX (GST)**

Customs duty/ Goods and Services Tax (GST) is accounted on the basis of both, payments made in respect of goods cleared / services provided as also provision made for goods lying in bonded warehouses. Customs duty, GST collected is accounted as a current liability and paid thereafter. Customs duty, GST on purchases and other expenses is accounted as current asset only when there is reasonable certainty that the amount can be utilized for the payment of such duties taxes or cess, otherwise the same is accounted along with the expense for which the same has been paid and charged to Profit and Loss account.

**Notes on Financial Statements for the Year ended 31st March, 2021**
**2. SHARE CAPITAL**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Authorized Share Capital:</b>		
100,00,000 Equity shares of ₹10 each	10,00,00,000	10,00,00,000
<b>Total</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, subscribed and Paid up:</b>		
70,60,094 Equity shares of ₹10 each fully paid	7,06,00,940	7,06,00,940
<b>Total</b>	<b>7,06,00,940</b>	<b>7,06,00,940</b>

2.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is set below:

Particulars	(Number of equity shares)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Equity Shares at the beginning of the year	70,60,094	70,60,094
Add: Equity shares issued during the year		
- as fully paid up bonus shares	-	-
- as fully paid up shares for cash	-	-
Less: Shares cancelled on buy back of Equity Shares	-	-
<b>Equity Shares at the end of the year</b>	<b>70,60,094</b>	<b>70,60,094</b>

**2.2 Terms / rights attached to Equity Shares**

Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 The details of shareholders holding more than 5% equity shares in the Company:

Name of Share Holders	No. of Shares	% held
<b>As at March 31, 2021</b>		

Mr. Anil Anant Raje	15,58,667	22.08%
Mrs. Chhaya Anil Raje	9,33,333	13.22%
Mrs. Prajakta Shashikant Kulkarni	10,92,000	15.47%
Mr. Amit Anil Raje	10,21,067	14.46%
Ashtamangal Projects Limited	4,80,000	6.80%
<b>As at March 31, 2020</b>		
Mr. Anil Anant Raje	15,58,667	22.08%
Mrs. Chhaya Anil Raje	9,33,333	13.22%
Mrs. Prajakta Shashikant Kulkarni	10,92,000	15.47%
Mr. Amit Anil Raje	10,21,067	14.46%
Ashtamangal Projects Limited	4,80,000	6.80%

As per the records of the Company, including its register of shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### 3. RESERVES AND SURPLUS

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>a) Capital Reserve</b>		
Balance as per last Financial Statements	35,52,358	35,52,358
Add : Transferred from the statement of profit and loss	-	-
<b>Closing Balance</b>	<b>35,52,358</b>	<b>35,52,358</b>
<b>b) General Reserve</b>		
Balance as per last Financial Statements	9,69,15,392	9,69,15,392
Add : Transferred from the statement of profit and loss		
Add : Transferred from Investment allowance reserve		
<b>Closing Balance</b>	<b>9,69,15,392</b>	<b>9,69,15,392</b>
<b>c) Securities Premium</b>		
Balance as per last Financial Statements	5,09,20,000	5,09,20,000
Add : Received during the year on issue on share	-	-
<b>Closing Balance</b>	<b>5,09,20,000</b>	<b>5,09,20,000</b>
<b>e) Surplus/ (deficit) balance in statement of profit and loss during the year</b>		
Balance as per last Financial Statements	4,85,81,420	4,61,99,622



Add : Profit for the year	83,82,857	59,11,845
Less: Appropriations:		
- Proposed Dividend on Equity Shares	-	35,30,047
- Transferred to General Reserve	-	-
<b>Closing Balance</b>	<b>5,69,64,277</b>	<b>4,85,81,420</b>
<b>Total</b>	<b>20,83,52,027</b>	<b>19,99,69,170</b>

#### 4. DEFERRED TAX LIABILITIES (Net)

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	
<b>Deferred tax liability as on March 31, 2020</b>	<b>6,30,683</b>	
Less: Deferred tax asset arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	-	
Add: Deferred tax liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	33,994	
<b>Deferred tax liability as on March 31, 2021</b>	<b>6,64,677</b>	

**4.1** The deferred tax assets and liabilities have been recognized in accordance with the provisions of Accounting Standard 22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India for giving effects for the timing differences between the taxable income and the accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.

#### 5. SHORT TERM BORROWINGS

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
- HDFC Bank CC Account	87,55,427	1,37,81,114
- HDFC Bank (Bill Discounting)	-	35,77,341
<b>Total</b>	<b>87,55,427</b>	<b>1,73,58,455</b>

#### 6. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020

Micro, Small and Medium Enterprises (Refer Note No. 6.1)	1,56,402	71,46,291
Other	1,47,03,857	1,04,45,131
<b>Total</b>	<b>1,48,60,259</b>	<b>1,75,91,422</b>

**6.1** The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors. Based on available information with the Company, there is amounting to ₹ Nil (principal) and no interest thereon outstanding to the micro, small and medium enterprises, as defined under section 7 of The Micro, Small and Medium Enterprises Development Act, 2006. Disclosure as required under section 22 of the Act is as under:

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Principal amount due and remaining unpaid	1,56,402	71,46,291
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest due and payable for the period of delay	-	-
Amount of further interest remaining due and payable	-	-
<b>Total</b>	<b>1,56,402</b>	<b>71,46,291</b>

## 7. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Dividend Payable	-	35,30,047
Audit Fees Payable	92,500	90,000
Rent Payable	1,39,133	4,05,000
Electricity Expenses Payable	52,071	51,708
Telephone & Mobile Expenses	788	-
Water Charges Payable	6,875	-
Professional Fees Payable	90,000	-
Expenses Payable	2,90,944	5,05,808
Advance from Customers	1,95,439	20,465
<b>Total</b>	<b>8,67,700</b>	<b>46,03,038</b>

**8. SHORT TERM PROVISIONS**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Provision for Employee Benefits:</b>		
- Salary and Reimbursements	21,69,784	15,981
- Contribution to ESIC and Provident Fund	1,23,486	1,35,715
<b>Others:</b>		
- Tax Deducted by Source Payable	13,21,092	2,18,737-
- GST Payable	22,58,739	13,04,986
- Professional Tax Payable	5,284	5,913
- Provision for Income Tax	11,85,187	-
<b>Total</b>	<b>70,63,572</b>	<b>16,81,332</b>

**9. FIXED ASSETS**
**(Amount in ₹)**

Particulars	Gross Block			Rate of Depreciation	Depreciation/ Amorisation			Net Block	
	As at 01/04/2020	Addition/ (Deduction)	As at 31/03/2021		As at 01/04/2020	For the year	As at 31/03/2021	As at 01/04/2020	As at 31/03/2021
Land	17,90,732		17,90,732	0.00%	-	-	-	17,90,732	17,90,732
Building	2,05,76,611	2,57,912	2,08,34,523	3.17%	68,08,598	6,52,300	74,60,898	1,37,68,013	1,33,73,625
Plant & Machinery	43,94,119	1,59,992	45,54,111	6.33%	19,85,182	1,66,709	21,51,891	24,08,937	24,02,220
Electrification	24,78,453	1,18,419	25,96,872	9.50%	17,02,140	1,97,873	19,00,013	7,76,313	6,96,859
Office Equipment	27,62,685	41,272	28,03,957	19.00%	25,87,603	43,799	26,31,402	1,75,082	1,72,555
Computer & Accessories	18,71,462	2,27,545	20,99,007	31.67%	17,21,481	1,08,862	18,30,343	1,49,981	2,68,664
Testing Equipment	31,48,745	3,390	31,52,135	6.33%	18,93,758	1,99,427	20,93,185	12,54,987	10,58,950
Furniture & Fixtures	58,25,424	2,86,324	61,11,748	9.50%	48,68,070	4,91,478	53,59,548	9,57,354	7,52,200
Vehicles	33,82,304	-	33,82,304	11.88%	23,86,477	1,59,244	25,45,721	9,95,827	8,36,583
Tools	13,50,882	18,366	13,69,248	6.33%	6,44,206	85,767	7,29,973	7,06,676	6,39,275
<b>Total</b>	<b>4,75,81,417</b>	<b>11,13,220</b>	<b>4,86,94,637</b>		<b>2,45,97,515</b>	<b>21,05,459</b>	<b>2,67,02,974</b>	<b>2,29,83,902</b>	<b>2,19,91,663</b>

**10. NON CURRENT INVESTMENT**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Investment in property</b>	1,30,64,881	1,30,64,811
<b>Investment in subsidiary</b>		
- AIC-AARTECH SOLOINICS PVT LTD	1,00,000	1,00,000
- FARADIGM ULTRACAPACITORS PVT LTD	95,000	95,000
<b>Investments in equity instruments:</b>		
- Dena Bank Equity	54,640	54,640
- Enerqual Technology Private Limited	3,00,000	3,00,000
- Umang Shridhar Designs Private Limited	25,00,000	25,00,000
<b>Investments in Fully Convertible Debenture:</b>		
- Faradigm Ultracapacitors Private Limited	2,50,00,000	1,00,00,000
- AIC- Aartech Solonics Private Limited	2,00,00,000	30,80,000
<b>Total</b>	<b>6,11,14,451</b>	<b>2,91,94,451</b>

**11. LONG TERM LOANS & ADVANCES**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Loans &amp; Advances to related parties</b> (unsecured considered good)		
- AIC-AARTECH SOLOINICS PVT LTD	9,40,123	1,72,11,008
- FARADIGM ULTRACAPACITORS PVT LTD	30,07,639	1,43,95,780
<b>Other Loans and Advances</b> (Unsecured considered good)	5,63,83,302	5,55,30,344
<b>Secured Deposits</b> (Unsecured Considered Good)	31,92,386	36,85,718
<b>Total</b>	<b>6,35,23,450</b>	<b>9,08,22,850</b>

**12. CURRENT INVESTMENT**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Investments in mutual funds (Instrument wise):</b>		
- Axis Multi Cap Fund Growth	-	11,03,768
- DSP Equity Fund Regular Plan Growth	-	1,00,07,100
- HDFC Capital Fund Growth	-	16,30,547

- TATA Equity Fund Regular Growth	-	14,99,900
- Tata Banking & PSU Debt Fund Regular Plan Growth	5,83,848	-
- Aditya Birla Sunlife Equity Advantage Growth Fund	6,00,000	18,00,000
- Aditya Birla Sunlife Frontline Equity Fund	-	47,96,041
- Aditya Birla Focused Equity Fund Growth Plan	-	20,00,000
- Aditya Birla Sun Life Banking And Financial Services Fund	5,38,082	10,00,000
- Aditya Birla Sun Life Overnight Fund Growth Plan	1,194	1,193
- Aditya Birla Sunlife MNC Fund Growth Plan	10,00,000	10,00,000
- Aditya Birla Sun Life India Gen Next Fund Growth Plan	10,00,000	10,00,000
- Aditya Birla Sun Life Dynamic Bond Fund Growth Plan	5,00,000	5,00,000
- Aditya Birla Sun Life Flexi Cap Fund Growth Regular Plan	25,00,000	25,00,000
- Aditya Birla Sun Life Low Duration Fund Growth Plan	65,59,671	2,54,459
- DSP Mid Cap Fund Regular Plan Growth	16,00,000	4,00,000
- HDFC Small Cap Fund Regular Plan Growth	2,50,000	6,00,000
- HDFC Top 100 Fund Regular Plan Growth	3,48,129	5,50,000
- IDFC Banking & PSU Debt Fund Regular Plan Growth	-	10,00,000
- IDFC Large Cap Fund Growth Regular Plan	-	6,05,518
- IDFC Ultra Short Term Fund Regular Plan	-	1,00,000
- IDFC Emerging Businesses Fund Regular Plan Growth	-	10,27,733
- IDFC Bond Fund Medium Term Plan Growth	5,00,000	5,00,000
- IDFC Bond Fund Short Term Plan Growth	9,48,434	10,17,914
- Invesco Mutual Fund	1,00,000	1,00,000
- Kotak Balanced Advantage Fund Growth	9,29,592	50,00,000
- Kotak Emerging Equity Scheme Growth Regular Plan	3,00,000	21,00,000
- Kotak Equity Opportunities Fund Growth Regular Plan	9,50,000	3,50,000
- Kotak Focused Equity Fund Growth	-	1,00,00,000
- Kotak Pioneer Fund Growth Regular Plan	13,48,623	30,00,000
- Kotak Standard Multicap Fund Growth Regular Plan	-	53,50,000
- Kotak Low Duration Fund Standard Growth	8,02,851	-
- Nippon India Banking Fund Growth Plan	9,80,087	31,05,000
- Nippon India Balanced Advantage Fund Growth Plan	-	16,99,521
- Nippon India Growth Fund Growth Plan	15,22,701	16,00,685
- Nippon India Large Cap Fund Growth Plan	24,62,792	7,98,000
- Nippon India Multicap Fund Growth Plan	17,91,657	26,83,000
- Nippon India Overnight Fund Growth Plan	-	4,66,682
- Nippon India Junior Bees Fof Growth Plan	-	5,59,288
- Nippon India Short Term Fund Growth Plan	29,99,850	3,07,166
- Nippon India Small Cap Fund Growth Plan	4,99,975	9,00,000
- Nippon India Value Fund Growth Plan	1,39,995	30,000
- Nippon India Us Equity Opportunities Fund Growth	-	10,00,639

- Nippon India Prime Debt Fund Growth Plan	-	5,00,000
- Nippon India CPSE ETF Fund	1,75,004	1,75,004
- Nippon India Ultra Short Duration Fund Growth Plan	46,75,319	-
- Nippon India Gold Savings Fund Growth Plan	99,995	-
- Nippon India Multi Asset Fund Growth Plan (MFGPG)	9,99,950	-
- Tata Short Term Bond Fund Regular Plan Growth	5,00,000	-
- Aditya Birla Sun Life Floating Rate Fund Growth Regular Plan	5,00,000	-
- DSP Floater Fund Regular Growth	54,76,592	-
- IDFC Sterling Value Fund Growth Regular Plan	5,02,597	-
- IDFC Dynamic Equity Fund Regular Plan Growth	3,21,000	-
- Nippon India Nifty Smallcap 250 Index Fund Growth Plan	7,79,317	-
- Nippon India Pharma Fund Growth Plan	2,98,985	-
- Nippon India Passive Flexicap FOF Growth Plan	33,05,233	-
- Nippon India Asset Allocator FOF Growth Plan	14,99,925	-
- Nippon India Nifty Midcap 150 Index Fund Growth Plan	39,99,800	-
- Nippon India Nifty 50 Value 20 Index Fund Growth Plan	39,99,800	-
<b>Total</b>	<b>5,88,90,997</b>	<b>7,46,19,168</b>
Quoted Investments – Book Value	5,88,90,997	7,46,19,168
Quoted Investments – Market Value	6,40,51,679	5,89,54,459
<b>Total book value of current investments</b>	<b>5,88,90,997</b>	<b>7,46,19,168</b>

### 13. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Raw Materials and components	1,94,10,227	2,42,60,921
Work-in-progress	8,60,280	39,85,235
Finished Goods	10,608	47,765
Stock in trade	-	-
<b>Total</b>	<b>2,02,81,115</b>	<b>2,82,93,921</b>

### 14. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Outstanding for less than 6 months from the due date (Unsecured, considered good)	5,00,34,478	3,79,70,840
Outstanding for more than 6 months from the due date (Unsecured, considered good)	1,34,65,346	74,38,311

<b>Total</b>	<b>6,34,99,824</b>	<b>4,54,09,151</b>
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**14.1** The amount of trade receivables outstanding for more than 6 months include an amount of ₹ 5,71,515 receivable from M/s GET Power Pvt Ltd. The Company has appealed for the recovery of the above amount under section 20 read with section 30 of the MSME Act, 2006. The Company is fairly optimistic that they will be able to recover the amount from the debtor and hence no provision has been proposed by the management.

## 15. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Balances with banks:		
- Earmarked Balances	2,25,000	2,25,000
- Guarantees (refer note no. 15.1)	52,62,419	6,97,628
- Other Commitments (refer note no. 15.2)	41,98,127	65,18,246
Cash on hand	23,160	79,800
Others (refer note no. 15.3)	2,40,236	79,987
<b>Total</b>	<b>99,48,942</b>	<b>76,00,661</b>

**15.1** Guarantees represent fixed deposits pledged with banks for bank guarantees.

**15.2** Other commitments represent balances with banks.

**15.3** Others represent imprest given to employees for incurring expenses.

## 16. SHORT TERM TOANS AND ADVANCES

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Unsecured Loans and Advances: (Unsecured, considered good)</b>		
Advance to Suppliers	13,85,967	75,11,729
Advance to Employees	66,26,961	14,45,913
Prepaid Expenses	3,19,071	4,24,787
Other Loans and Advances	-	35,480
<b>Total</b>	<b>83,31,999</b>	<b>94,17,909</b>

## 17. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020



Income Tax Refund Receivable AY 2016-2017	-	4,21,004
Income Tax Refund Receivable AY 2020-21	3,04,2018	3,04,2018
TDS Receivable	-	-
TCS Receivable	7,228	-
Excise Duty Receivables	-	1,32,442
Accrued Interest	32,70,715	8,30,569
GST Receivable	-	24,04,794
<b>Total</b>	<b>35,82,161</b>	<b>40,93,027</b>

## 18. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	As at	As at
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Sale of Products	10,19,19,357	9,18,98,535
Sale of Services	73,63,203	85,41,513
<b>Total</b>	<b>10,92,82,561</b>	<b>10,04,40,048</b>

## 19. OTHER INCOME

(Amount in ₹)

Particulars	As at	As at
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
- Interest Income	51,60,240	40,98,574
- Rental Income	1,90,550	1,78,000
- Dividend Income	11,507	-
- Revenue Government Grant for DST Uplift Project	-	10,09,773
- Net gain/(- loss) on sale of investments	38,51,417	19,06,474
- Net gain on foreign currency transaction and translation (other than considered for finance cost)	1,01,276	63,892
- Other non-operating income	1,22,743	60,142
- Profit on sale of Fixed Assets	-	5,00,000
<b>Total</b>	<b>94,37,734</b>	<b>78,16,856</b>

### 19.1 Other Non-Operating Income includes:

- Rent received on flats and bungalow given to employees ₹ 1,78,000.
- Other miscellaneous income ₹ 60,142.

**20. COST OF MATERIALS CONSUMED**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Purchase of Raw Materials	4,96,54,441	5,88,32,715
Opening Balance of Raw Materials	2,42,60,922	1,71,22,907
Less : Closing Balance of Raw Materials	1,94,10,227	2,42,60,922
<b>Total</b>	<b>5,45,05,136</b>	<b>5,16,94,700</b>

**21. CHANGE IN INVENTORIES**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Finished goods:		
Opening Balance	47,765	57,87,284
Less: Closing Balance	10,608	47,765
	<b>37,157</b>	<b>57,39,519</b>
Work-in-Progress:		
Opening Balance	39,85,235	8,76,865
Less: Closing Balance	8,60,280	39,85,235
	<b>31,24,955</b>	<b>-31,08,369</b>
<b>Total</b>	<b>31,62,112</b>	<b>26,31,149</b>

**22. EMPLOYEE BENEFIT EXPENSES**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Salaries and Wages :		
- Directors Remuneration	41,45,942	54,12,784
- Staff Salary	2,02,71,358	1,67,19,622
- Salary relates to Recognised Research & Development Facility	9,51,074	5,48,532
Contribution to Provident Fund and Other Funds	8,68,360	9,19,844
Staff Welfare Expenses	9,77,861	15,26,295
<b>Total</b>	<b>2,72,14,595</b>	<b>2,51,27,077</b>

**23. FINANCE COST**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Interest Expenses (Refer Note No.23.1)	11,48,821	5,18,846
Other borrowing costs (Refer Note No.23.2)	4,59,962	4,33,922
<b>Total</b>	<b>16,08,783</b>	<b>9,52,768</b>

**23.1** Interest Expenses shown interest on CC/OD Account.

**23.2** Other borrowing costs include bank charges and bank commission paid during the year for bank guarantees.

**24. DEPRECIATION AND AMORTISATION EXPENSES**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Depreciation of tangible assets	21,05,459	19,09,191
Amortisation of intangible assets	-	-
<b>Total</b>	<b>21,05,459</b>	<b>19,09,191</b>

**24.1** Refer note 9 for assets wise details of depreciation charge and note 1.9 for depreciation policy and rates of depreciation.

**25. OTHER EXPENSES**

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Administrative Expenses</b>		
Audit fees	1,00,000	1,00,000
Director Sitting Fees	1,20,000	75,000
Membership & Registration Fees	1,77,768	73,200
Insurance Expenses	1,39,591	1,23,662
Internet expenses	4,17,370	3,36,406
Legal Expenses	1,95,404	1,49,789
Professional & consultancy expenses	20,32,175	22,86,494
Electricity Expenses	85,143	1,35,575
Office Expenses	2,96,281	2,46,924
Petrol & Diesel	2,16,670	2,30,404
Postage & Courier Expenses	70,977	1,90,815
Printing & Stationery Expenses	54,641	64,821

Rates and taxes	12,92,789	5,26,231
Rent Office	18,00,000	18,00,000
Repairs & Maintenance	8,57,640	4,86,262
Vehicle Repairs & Maintenance	1,83,201	85,920
TCS ERP Solution	2,74,130	4,55,000
Security Expenses	1,48,031	1,79,621
Telephone & Mobile expenses	1,74,512	1,85,442
Water Charges	1,24,721	1,05,229
Miscellaneous administrative expenses	7,19,961	7,14,405
<b>Total (A)</b>	<b>94,81,006</b>	<b>85,51,199</b>
<b>Manufacturing Expenses</b>		
Power and Fuel	7,17,374	7,14,936
Rent Factory	3,04,971	3,30,371
Job Work Expenses	19,88,785	15,11,842
Site Development expenses	14,38,037	3,33,334
Repairs to machinery	33,348	60,961
Testing & Calibration Charges	5,56,075	8,000
MPIDC Annual Maintenance Charges	87,424	70,637
Drawing & Design Charges	10,04,500	-
Miscellaneous manufacturing expenses	4,86,480	2,83,068
<b>Total (B)</b>	<b>66,16,994</b>	<b>33,13,149</b>
<b>Selling and Marketing Expenses</b>		
Advertisement and business promotion expenses	2,94,379	5,46,989
Sales Commission	11,66,097	25,19,611
Travelling Expenses	8,06,772	27,21,230
Late Delivery	40,001	84,884
Transportation Outward	14,10,492	7,51,202
Tender Fees	57,929	76,562
Other Selling Expenses	50,801	-
<b>Total (C)</b>	<b>38,26,471</b>	<b>67,00,478</b>
<b>Research &amp; Development Expenses</b>		
Material Consumed	31,961	86,693
Travelling Expenses	-	54,631
Other Expenses	440	3,903
<b>Total (D)</b>	<b>32,401</b>	<b>1,45,227</b>
<b>Loss due to Foreign Currency Fluctuation (E)</b>	<b>-</b>	<b>-</b>
<b>Total Other Expenses (A+B+C+D+E)</b>	<b>1,99,56,872</b>	<b>1,87,10,053</b>

## 26. CURRENT TAX

Provision for current tax is made in the statement of profit and loss for the year ending March 31, 2021 after taking into consideration the provisions of Income Tax Act, 1961 including provisions of Minimum Alternate Tax under section 115JB (Chapter XII-B) including various benefits available under the Income Tax Act.

For the year ending March 31, 2021 (assessment year 2021 - 22), the income tax computed under the other provisions (provisions of the Income Tax Act other than Chapter XII-B) amounts to ₹ 24,21,727 and income tax computed under the provisions of chapter XII-B of Income Tax Act amounts to ₹ 17,50,487. The provision of ₹ 17,50,487 has been made after utilising MAT credit.

## 27. DEFERRED TAX EXPENSE

The deferred tax expense debited to the statement of profit and loss for the period has been recognised for the tax effect of the timing difference accounting income and taxable for the year and quantified using the tax rates and Laws enacted pertaining to the period during which the difference arises. The deferred tax expense as debited in the statement of profit and loss has been computed as under:

### 27.1 Deferred tax impact of the timing difference in depreciation as per the Companies Act, 2013 and depreciation as per the Income Tax Act, 1961-

- Depreciation as per Income Tax Act, 1961	: ₹ 22,36,207
- Depreciation as per Companies Act, 2013	: ₹ 21,05,459
- Difference	: ₹ 1,30,748
- Deferred tax Expense/(Income)	: ₹ 33,994

### 27.2 Net deferred tax expense debited to statement of profit and loss for the period is ₹ 33,994.

## 28. RESEARCH & DEVETOPMENT EXPENSES

The Company has maintained a recognised in-house research and development facility which is registered with the Department of Scientific & Industrial Research (DSIR) under Ministry of Science & Technology, Government of India. The Company maintains details of all expenses incurred specifically for Research & development purposes.

The expenses incurred during the year specifically for Research & Development purposes are:

Particulars	(Amount in ₹)	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020

1	Salary to research staff (refer note 22)	9,51,074	5,48,532
2	Material purchased	31,961	86,693
3	Travelling expenses	-	54,631
4	Other Expenses	440	3,903
<b>Total</b>		<b>9,83,475</b>	<b>6,93,759</b>

**29. RELATED PARTY DISCLOSURE**

S. No.	Name of related party	Related Party Category	Nature of Transaction	Amount in ₹
1	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Investment in Equity Shares	1,00,000
2	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Unsecured Loan	30,07,639
3	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Interest received on Unsecured Loan	7,01,746
4	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Investment in 8% Fully Convertible Debentures	2,00,00,000
5	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Interest Income on Debentures	10,17,410
6	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Job Work Expenses	2,42,095
7	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Unsecured Loan	30,07,639
8	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Investment in Equity Shares	95,000
9	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Interest Income on Unsecured Loan	6,61,472
10	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Investment in 8% Fully Convertible Debentures	2,50,00,000
11	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Interest Income on Debentures	16,02,436
12	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Purchases	8,43,744

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>1. Cash Flows from Operating Activities</b>		
<i>Net Profit and Loss A/c (as per profit and loss account)</i>	83,82,857	23,81,797
<b>Add: (A) Apportionment of Fund:</b>		
<i>Provision for tax made during the year</i>	17,50,487	12,00,584
<i>Deferred Tax</i>	33,994	1,19,537
<b>Net Profit before taxation and extra ordinary items</b>	<b>1,01,67,338</b>	<b>37,01,918</b>
<b>Add: (B) Non operating Expenses:</b>		
<i>Depreciation during the year</i>	21,05,459	19,09,191
<b>Sub Total</b>	<b>21,05,459</b>	<b>19,09,191</b>
<b>Less: (C) Non operating Income:</b>		
<i>Interest Income (refer note 19)</i>	51,60,240	40,98,574
<i>Dividend Income (refer note 19)</i>	11,507	-
<i>Net gain/(-loss) on sale of investments (refer note 19)</i>	38,51,417	19,06,474
<i>Other non-operating income (refer note 19)</i>	1,22,743	2,38,142
<i>Revenue Grant for DST Uplift Project (refer note 19)</i>	-	10,09,773
<i>Profit on sale of Fixed Assets (refer note 19)</i>	-	5,00,000
<b>Sub Total</b>	<b>91,45,907</b>	<b>77,52,963</b>
<b>(D) Operating Profit Before Working Capital Changes (A+B+C)</b>	<b>31,26,890</b>	<b>-21,41,854</b>
<b>Add: (E) Increase in current liabilities and decrease in current assets:</b>		
<i>Decrease in Inventory</i>	80,12,806	-
<i>Decrease in Account Receivable</i>	-	48,42,450
<i>Decrease in Short Term Loans and Advances</i>	10,85,910	-
<i>Decrease in Other Current Assets</i>	5,10,866	18,48,363
<i>Increase in Short term borrowings</i>	-	1,73,58,455
<i>Increase in Trade Payables</i>	-	82,57,858
<i>Increase in Short Term Provisions</i>	41,97,053	-
<i>Increase in Other Current Liabilities</i>	-	43,39,559
<b>Sub Total</b>	<b>1,38,06,635</b>	<b>3,66,46,685</b>
<b>Less: (F) Increase in current assets and decrease in current liabilities:</b>		
<i>Increase in inventory</i>	-	45,06,866
<i>Increase in Account Receivable</i>	1,80,90,673	-
<i>Increase in Short Term Loans and Advances</i>	-	80,50,849
<i>Increase in Other Current Assets</i>	-	-
<i>Decrease in Short Term Borrowings</i>	86,03,028	-
<i>Decrease in Trade Payable</i>	27,31,163	-
<i>Decrease in Short Term Provisions</i>	-	52,25,010
<i>Decrease in Other Current Liabilities</i>	37,35,337	-

	<b>Sub Total</b>	<b>3,31,60,201</b>	<b>1,77,82,724</b>
<b>(G) Cash generated from Operations (D+E+F)</b>		<b>-1,62,26,676</b>	<b>1,67,22,107</b>
<b>(H) Income tax paid during the year:</b>		5,65,300	15,04,802
<b>(I) Net cash generated from operational activity (G-H)</b>		<b>-1,67,91,976</b>	<b>1,52,17,305</b>
<b>2. Cash Flows from Investing Activities</b>			
<b>(A) Net cash inflow from investment activity</b>			
<i>Interest Income (refer note 19)</i>		51,60,240	40,98,574
<i>Dividend Income (refer note 19)</i>		11,507	-
<i>Net gain/(-loss) on sale of investments (refer note 19)</i>		38,51,417	19,06,474
<i>Other non-operating income (refer note 19)</i>		1,22,743	2,38,142
<i>Revenue Grant for DST Uplift Project (refer note 19)</i>		-	10,09,773
<i>Proceeds from marketable securities</i>		5,60,62,218	4,63,59,034
<i>Proceeds from sale of fixed assets</i>		-	5,00,000
<i>Realisation of Long Term Loans &amp; Advances</i>		2,68,06,068	-
<i>Realisation of security deposit</i>		4,93,332	-
	<b>Sub Total</b>	<b>9,25,07,525</b>	<b>5,41,11,997</b>
<b>(B) Net cash outflow from investment activity</b>			
<i>Investment made in marketable securities during the year</i>		4,03,34,048	5,96,83,281
<i>Investment made in Subsidiary Company</i>		-	-
<i>Investment made in Debentures of Subsidiary Company</i>		3,19,20,000	1,30,80,000
<i>Investment made in Property</i>		-	-
<i>Long Term Loans &amp; Advances</i>		-	2,66,53,275
<i>Purchase of new assets (net of sale proceeds)</i>		11,13,220	36,70,188
<i>Security deposit paid</i>		-	1,34,501
	<b>Sub Total</b>	<b>7,33,67,268</b>	<b>10,32,21,245</b>
<b>(C) Net cash generated from Investment activity (a-b)</b>		<b>1,91,40,257</b>	<b>-4,91,09,248</b>
<b>3. Cash Flows from Financing Activities</b>			
<b>(A) Net cash inflow from financing activity</b>			
<i>Increase in long term borrowing</i>		-	-
<i>Proceeds from issue of equity shares</i>		-	-
	<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>(B) Net cash outflow from investment activity</b>			
<i>Decrease in long term borrowing</i>		-	-
	<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>(C) Net cash generated from Financing activity (a-b)</b>		<b>-</b>	<b>-</b>
<b>4. Net Increase/ (Decrease) in Cash (1+2+3)</b>		<b>23,48,281</b>	<b>-3,38,91,943</b>
Cash and cash equivalents at the beginning of the year		76,00,661	4,14,92,604
<b>5. Cash and cash equivalents at the end of the year</b>		<b>99,48,942</b>	<b>76,00,661</b>



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**AARTECH SOLONICS LIMITED**

**CIN:** L31200MP1982PLC002030

**Registered Office:** E-2/57, Ashirvad, Arera Colony, Bhopal, 462016

**Email:** treddy@aartechsolonics.com **Website:** www.aartechsolonics.com **Tel No.** +91 755 4276335

**ATTENDANCE SLIP**

(Please fill the attendance slip and hand it over at the entrance of the meeting hall)

Regd. Folio No.\*\* \_\_\_\_\_

DP ID \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Client ID \_\_\_\_\_

Name(s) and address of the shareholder in full \_\_\_\_\_

\_\_\_\_\_

I/we hereby record my/our presence at the 39th Annual General Meeting of the Company held on Wednesday, September 29, 2021 at 04:00 p.m. at E-2/57, Ashirvad, Arera Colony, Bhopal, Madhya Pradesh, 462016

\_\_\_\_\_  
Signature of Shareholder/ Proxy

\*\* Applicable for investor holding shares in physical form

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**AARTECH SOLONICS LIMITED**

**CIN:** L31200MP1982PLC002030

**Registered Office:** E-2/57, Ashirvad, Arera Colony, Bhopal, 462016

**Email:** treddy@aartechsolonics.com **Website:** www.aartechsolonics.com **Tel No.** +91 755 4276335

**PROXY FORM**

**Form No. MGT-11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Shareholder (s): \_\_\_\_\_

Registered Address: \_\_\_\_\_ Email ID: \_\_\_\_\_

Folio No./ Client ID: \_\_\_\_\_ DP ID: \_\_\_\_\_

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

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the members of the company, to be held on the on Wednesday, September 29, 2021 at 04:00 p.m. at E-2/57, Ashirvad, Arera Colony, Bhopal, Madhya Pradesh, 462016, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
	<b>Ordinary Business:</b>		
1.	a) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board of Directors and Auditors' thereon b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board of Directors and Auditors' thereon		
2.	To declare final dividend on equity shares at the rate 5% [i.e., Re. 0.50/- (Rupee Fifty Paise Only) per Equity Share] for the financial year ended 31 March, 2021		
3.	To appoint a director in place of Mr. Amit Anil Raje (DIN: 00282385), who retires by rotation and being eligible offer himself for re-appointment		

<b>Special Business:</b>			
4.	Appointment of Mr. Khitij Negi (DIN: 09046425) as the Independent Director of the Company		
5.	Re-Appointment of Mr. Prashant Dattatray Lowlekar (DIN: 08041377) as an Independent Director of the Company for another term of 5 (Five) years		
6.	Increase the Authorised Share Capital of the Company and amend the Capital clause in the Memorandum of Association		
7.	Increase in paid-up share capital of the company by issuance of Bonus Shares		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2021

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix Revenue Stamp
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**CIN:** L31200MP1982PLC002030  
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Bhopal, Madhya Pradesh, 462016  
**Tel No** +91 755 4276335, **E-mail id:** treddy@aartechsolonics.com  
**Website:** www.aartechsolonics.com