

AARTECH SOLONICS LIMITED

An ISO 9001 : 2015 Certified Company



Date: 16/08/2022

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

Dear Sir/Ma'am

Scrip Code: 542580

Sub: 40th Annual Report of AARTECH SOLONICS LIMITED.

Please find attached herewith a copy of 40th 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



**K R Tanuj Reddy
Company Secretary & Compliance Officer**

REGD. OFFICE : "ASHIRWAD", E-2/57, Arera Colony, Bhopal-462016 Tel. : 91-755-4276335, 2463593 Mob. : 9993091168, 9993091167
e-mail : info@aartechsolonics.com; fa@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
40th ANNUAL REPORT



2021-2022

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Amit Anil Raje	:	Chairman & Managing Director
Mr. Anil Anant Raje	:	Non-Executive Director
Mrs. 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
Mrs. 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.

S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves
Road, 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 : tredy@aartechsolonics.com
Website : www.aartechsolonics.com
CIN : L31200MP1982PLC002030
ISIN : INE01C001018
BSESME SCRIP ID/CODE: AARTECH/
542580

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LETTER TO THE SHAREHOLDERS

Dear Members of the Aartech Family,

Every year, this communication gives us a wonderful opportunity to exchange notes on the latest happenings of your company.

As I reflect and put this together, I cannot help but express what an honour and great privilege it feels to represent our company, which is now coming close to nearly 40 years since incorporation – a remarkable milestone in itself.

As Aartech continues on its unique journey through the highly disruptive times we live in, I am happy to report on the progress and achievements it has made through FY 21-22.

Record Turnover:

Your company achieved a record turnover in FY 21-22 beating all past numbers. This is a glowing reflection on the confidence posed in the business by all its esteemed customers and our capacity to attract business and deliver to customer expectations. I take the opportunity to thank all our stakeholders and in particular, appreciate the hard work, dedication and commitment of all the Aartechies to make this happen. To deliver this result as the world grappled through the crises of the second wave of COVID-19 is by no means an easy feat to achieve and demanded the best of agility and acumen from the entire team.

You might recollect from my communication last year, that your company had bagged two prestigious projects in the defence sector. Team Aartech is happy to report that both those projects were successfully executed and is now paving the doors for next generation of opportunities for your company.

Several other noteworthy projects include serving the world's largest reverse osmosis plant at Abu Dhabi, UAE and India's largest nuclear power plant with our fast bus transfer system solutions.

It has also closed FY 21-22 with a significant order book. With the factories booked to capacity for the first quarter of FY 22-23, it signals a positive trend toward consistent revenue growth and capacity utilizations.

Capacity Expansions:

Capacity expansions are underway at both Mandideep and Parwanoo units to cater to the increased pipeline of business requirements. The Parwanoo unit relocated to a new larger facility which is well endowed to serve several upcoming project and product requirements anticipated in the near future.

Research & Development:

Your company was selected to carry out an R&D Project by Department of Science & Technology (DST), Government of India under its SERD-2019 (Solar Energy Research and Development) scheme. The SAUR STAMBH project integrates Low Power, Long Range, Wireless Network enabled Agri-IOT applications with Solar High-Mast Lights and is under execution in a 2-year timeframe.



Winning A National Level Challenge – DISC 5:

Your company was one of the select winners of the prestigious Defence India Startup Challenge DISC 5 Challenge from Innovations for Defence Excellence (iDEX), Ministry of Defence, Government of India. It was awarded a SPARK (Support for Prototyping and Research Kickstart) matching grant and is working on a war footing with various stakeholders to meet the highly aggressive timelines set for the deliverables and position it on a roadmap towards active commercialization.

Increased Team Strength:

The growth trajectory has added significant momentum in the capabilities of your company to serve upcoming challenging opportunities and has attracted and engaged a very capable pool of experienced and talented employees, associates and consultants to pursue these growth avenues.

Subsidiaries:

Your company’s subsidiaries are advancing in their respective objectives.

Faradigm Ultracapacitors Pvt. Ltd. has progressed in being able to deliver industry ready offerings in energy storage. It reported its first year of profits in FY 21-22 with the successful breaks it achieved with various key projects.

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.

Startups Initiatives:

One of the invested startups in which your company has been involved in since inception is M/s Enerqual Technology Private Limited. It serves the renewables domain with design engineering services to international clients and has increased its team strength operating out of the campus by more than 100% over the last year.

Your company is playing a notable role in providing employment and engagement opportunities for the next generation and nurturing talent towards innovation led entrepreneurship.

Strategic Overseas Investments:

Your company has also been on the watch for inorganic expansion opportunities into new technologies and markets for a while, particularly foraying into a presence in overseas horizons which have a differentiated demand for technology products along with accompanied purchasing power.

I am pleased to report that your company is exploring a definitive strategic investment in a UK startup having international IPR on a flywheel-based energy storage technology, with a view to leverage and co-create an active manufacturing, marketing and internationalization trajectory in the near future. This presents a very interesting opportunity to your company to leap frog itself into its next orbits of growth with a global perspective in mind.

Main Board Listing:

Your company has established a healthy and consistent dividend paying record coupled with a 1:2 bonus issue in FY 21-22. Your company now meets all eligibility norms for progressing to main board listing, standing true to its commitment to its long-term vision for unlocking value for all its stakeholders.

Your company looks forward to your continued support into the future towards this vision.

Sd/-

Amit Anil Rajee
Chairman & Managing Director
Aartech Solonics Limited
DIN: 00282385

16th August, 2022.

FROM THE DESK OF CEO (CHIEF FINANCIAL OFFICER)

Dear Aartech Shareholders

It gives me great pleasure to write this note on the occasion of the Fortieth Annual Report. Time has really flown and it's been a great entrepreneurial journey for all associated with Aartech. As we are all set to enter the 40's, the company is getting stronger and stronger with each step it is taking with its vision and mission in full spirit.

As our nation emerges from the debilitating impact of the second wave, there is now hope that India will effectively combat the impact of COVID. During these tough times, I would also like to wish you all and your loved ones the best of health and safe passage through these uncertain times.

The last fiscal year started with the onset of second wave of the pandemic that had caused large scale disruptions and impacted a large number of sectors and industries. Amongst the multiple sectors we deal with, they were also not immune to its impact. However, withstanding these, the company has given record financial performance in the history of Aartech, a proud moment for all of us.

Looking back in the last year and our relentless efforts for last many years, it is clear that our financial discipline and constant endeavour to understand our customer's pain point and giving solutions on them through suitable applications is what enabled us to persevere in our steadfast dedication to help our customers throughout the world.

Financials

Revenues

On a standalone basis , the operating revenues increased 49.54% Y/Y to a record figure of Rs.16.36 Cr primarily due to the orders executed for ultracapacitors segment along with steady business from other segments. Other income also increased 93.6% Y/Y to Rs. 1.82 Cr primarily due to disciplined and timely investment in markets.



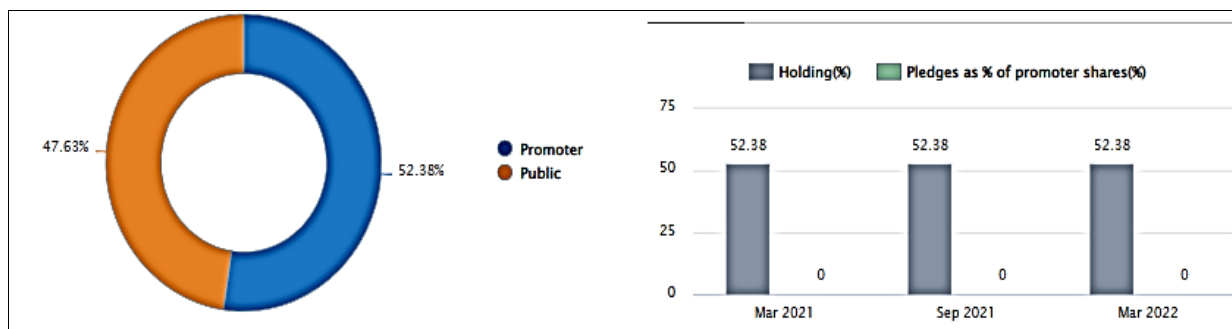
PAT

PAT increased 69% Y/Y to Rs. 1.42 Cr on the backing of higher revenues and consistent high margins maintained on our flagship product coupled with good control over price escalations of procurement of raw materials.

Shareholding Pattern and Capital Structure

The shareholding pattern remains consistent with promoters holding at 52.38% and public shareholding at 47.63%. The company firmly believes that the shareholding is appropriate and the promoters would be keen to increase the shareholding in the times to come as a positive sign for investor confidence.

The company also issued bonus shares in the ratio of 2:1 with the total equity base to Rs. 10 Cr from Rs. 7.06 cr. The bonus shares were issued from the general reserve resulting in total reserves of Rs. 18 Cr as of 31/03/2022.



Wholly Owned Subsidiaries

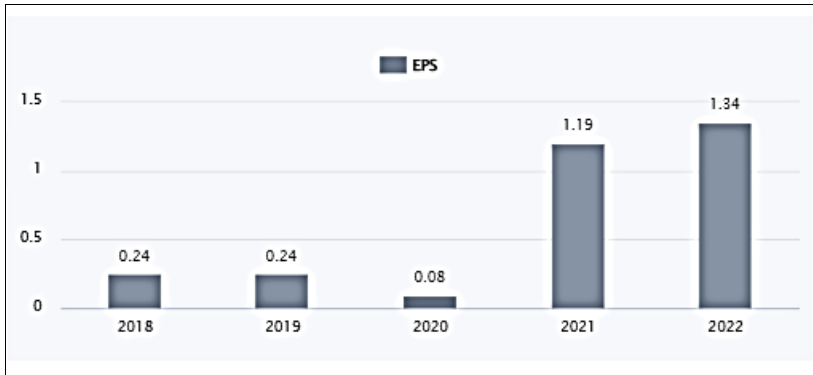
The company has two wholly owned subsidiaries mainly Faradigm Ultracapacitors Pvt Ltd (FUPL) and AIC - Aartech Solonics Pvt Ltd.

While Faradigm Ultracapacitors Pvt Ltd is mainly looking into the energy storage applications, the latter subsidiary looks into the startup ecosystem. This year FUPL has recorded a >100% profit of Rs. 1.57 Cr from a loss Rs 30 Lacs last FY.

Key Ratios

EPS

EPS has increased Y/Y to 1.34 from 1.19 indicating positive returns Y/Y to the shareholders despite prevailing pandemic.



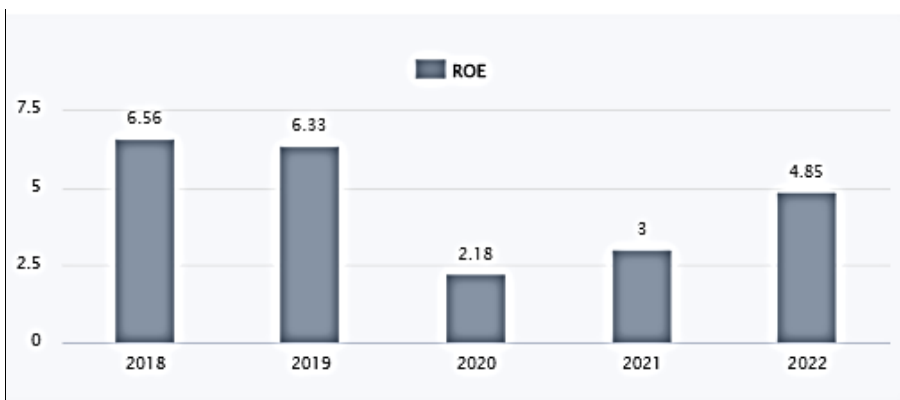
Debt to Equity

D/E ratio remains stable at 0.02 primarily due to no new debts taken by the company and operating from its cash reserves.



Return on Equity

The ROE has increased from 3x to 4.85x indicating stronger returns to the shareholders and consistent performance of the company in the diverse segments it has been operating. The company is effectively using the shareholder’s funds for improving the profitability of the company.



Share Price and Volumes



The company’s share price has increased by an average of 42.48% in one year with the price touching 52 weeks high of 56.45 indicating strong fundamentals of the company’s financial getting reflected in the stock price.

Other Aspects

Creating Value

At Aartech, we are constantly looking to understand what value are we offering to our stakeholders, be it in the form of shareholders, customers or employees. Growth for the sake of growing can lead to cancer like situations and therefore the company strongly believes and maintains the philosophy of creating value together with technical collaborations or single handedly. The company believes in its logo “Dare to go Solo” to create change in the eco system it is sustaining.

Customer Experience

Aartech is known to provide prompt services to its customers at all levels. Service Escalations are carefully maintained and happy to share that there are no customer issues pending at this point and expect the same in future.

In today’s times, customers are experiencing new and dynamic challenges every day. We are still in our early stages, learning, improving our processes, and finding systemic solutions to every problem. We are quite confident that with this constant process of introspecting, learning, rapid re-learning, willingness to scrap what we built and rebuild, and our willingness to build and collaborate with new technologies, we will improve our services going forward and fill our gaps.

Corporate Governance

Your Company views corporate governance as a key element in improving economic efficiency and growth, as well as for building confidence of its stakeholders. Being a Listed Company, the company complies with all applicable provisions within its ambit, relating to corporate governance as stipulated under the Companies Act,

2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations The Company maintains the highest standards of transparency, accountability and adequate disclosures.

We have an extremely strong Board of Directors with highly capable and reputed professionals. We have very detailed and rich discussions at the Board on all important matters. I thank every one of them for their thoughtfulness, wisdom, their active participation, and guidance at the Board. To each one of our employees, thank you for being with us and working so hard. I express my sincere thanks to our regulator who monitor us closely, guide us and support us particularly well.

Finally, I thank all of our shareholders for your continued trust and confidence on us.

Sd/-
Arati Nath
Chief Executive Officer
Aartech Solonics Limited
DIN: 08741034

16th August 2022

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 40th Annual General Meeting of the members of **Aartech Solonics Limited** (CIN L31200MP1982PLC002030) will be held on Friday, the 09th Day of September, 2022 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, 2022, 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, 2022, together with the Report of the Auditors thereon.
2. To declare final dividend on equity shares at the rate 5% [i.e., Re. 0.05/- per Equity Share] for the financial year ended 31 March, 2022.
3. To appoint a director in place of Mrs. Arati Nath (DIN: 08741034), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

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

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Arati Nath (DIN: 08741034), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to rotation.”

SPECIAL BUSINESS:

4. **FIXATION OF REMUNERATION OF MR. AMIT ANIL RAJE, MANAGING DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provision of section 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 and Companies (Appointment and remuneration of managerial personnel) Rules, 2014 (including rules notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may enacted from time to time) read with schedule V of the said Act, and such other approval permissions and sanctions of

such authorities and/or agencies as may be required in this regard and subject to the provisions of Article of Association of the Company, the approval of the Members be and is hereby accorded for fixation of limit of remuneration of Mr. Amit Anil Raje (DIN : 00282385), Managing Director of the Company with effect from April 1, 2022 to March 31, 2023 as mentioned below :

A. Basic Salary, Allowances, Perquisites

Basic Salary and Allowances up to (₹ 36,00,000 only) per annum.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this resolution be paid as minimum remuneration to Mr. Amit Anil Raje, Managing Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

5. FIXATION OF REMUNERATION OF MRS. ARATI NATH, CEO & DIRECTOR OF THE COMPANY.

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

“**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provision of section 197, 198, 203 and other applicable provision, if any of the Companies Act, 2013 and Companies (Appointment and remuneration of managerial personnel) Rules, 2014 (including rules notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may enacted from time to time) read with schedule V of the said Act, and such other approval permissions and sanctions of such authorities and/or agencies as may be required in this regard and subject to the provisions of Article of Association of the Company , the approval of the Members be and is hereby accorded for fixation of limit of remuneration of Mrs. Arati Nath (DIN : 08741034), CEO & Director of the Company with effect from April 1, 2022 to March 31, 2023 as mentioned below :

A. Basic Salary, Allowances, Perquisites

Basic Salary and Allowances up to (₹ 35,00,000 only) per annum.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this resolution be paid as minimum remuneration to Mrs. Arati Nath, CEO & Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

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

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

**Place: Bhopal
Dated: 16/08/2022**

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.**
- 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.
- 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.
- 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 02nd day of September 2022 to 09th day of September, 2022 (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. 01st September, 2022, 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 40th 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.
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. F11543, 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:

Particulars	Arati Nath
DIN	08741034
Date of first appointment at the Board	12/05/2020
Date of Birth	31/12/1980
Qualification	Post Graduate Diploma in Business Analytics- Finance, Bachelor of Commerce
Nature of expertise in specific functional areas	Finance
Directorship in the Boards of other Indian listed entities	Nil
Membership/ Chairmanship in Committees of other Indian listed entities	Nil

Annexure to the notice of Annual General Meeting

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

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. IV to V of the accompanying Notice.

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

Item No. 4

The Members of the Company at the Annual General Meeting held on 24th September, 2020 approved change in designation of Mr. Amit Anil Raje (DIN: 00282385) from Whole-time Director to Managing Director of the Company with effect from May 12, 2020 for a period of five years and remuneration for a period of two year. It is proposed to fix their remuneration for a further period of one year as mentioned below:

Particulars	Amount
i. Term of remuneration	1 Year w.e.f. 01.04.2022
ii. Remuneration	
Monthly Gross Salary:	2,99,292
Perquisites & Allowances:	As per rule of the Company.

The total remuneration payable to Mr. Amil Anil Raje exceeds 5% of the estimated net profits of the Company to be calculated as per the provisions of section 198 of the Companies Act, 2013 (“the Act”) and accordingly an approval of shareholders through a special resolution is being sought.

It is hereby confirmed that the Company has not committed any default in payment of dues to any bank or public financial institution or any other secured creditor.

In terms of Schedule V to the Act, the relevant details that are required to be disclosed are provided hereunder:

I. General information:

- 1) **Nature of industry:** Manufacturing industry
- 2) **Date or expected date of commencement of commercial production:** the Company was incorporated on 24th August 1982 and has been in operation since 1982.
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4) **Financial performance based on given indicators**

(₹ in lakhs)

Particulars	2021-22	2020-21
Total income	18,17,93,860	11,87,20,295

Total expenses	(16,45,98,663)	(10,85,52,957)
Profit before tax and exceptional items	1,71,95,197	1,01,67,338
Exceptional items	-	-
Profit before tax	1,71,95,197	1,01,67,338
Tax Expenses	(30,22,633)	(17,84,481)
Profit after Tax (PAT)	1,41,72,564	83,82,857
Other Comprehensive Income	5,69,64,277	4,85,81,420
Provisions during the year	(34,38,393)	-
Total Comprehensive Income for the year	6,76,98,448	5,69,64,277

5) **Foreign investments or collaborations, if any:** Not Applicable

II. Information about Mr. Amit Anil Raje:

(1). Background details

Mr. Amit Anil Raje was designated as Managing Director vide AGM Resolution dated September 24, 2020 for a period of 5 year.

Being a qualified technologist with a B.Tech (Electrical Engineering) from IIT Mumbai and M.S.E.E. (Power Systems and Power Electronics) from University of Minnesota, Minneapolis, USA, he is aware of the financial policies and legalities involved in our business. He has been instrumental in the overall growth of our Company. He is one of the founding members of our Company and is actively involved in the financial planning, operations, business development & strategic planning activities.

(2). Past remuneration

Financial Years	Amount (₹ in lakhs)
2019-2020	12,78,585.00
2020-2021	17,96,503.00
2021-2022	21,33,600.00

(3). Recognition of awards:

Under the dynamic leadership of Mr. Amit Anil Raje, the Company has been winning awards year on year.

(4). Job profile and his suitability:

Mr. Amit Anil Raje is the Chairman & Managing Director of Aartech Solonics Limited. He holds a B.Tech (Electrical Engineering) from IIT Mumbai and M.S.E.E. (Power Systems and Power Electronics) from University of Minnesota, Minneapolis, USA. He drives and oversees the overall business at Aartech and nurtures a foresight to scale the Company to a new orbit of growth. He has proven his capabilities in leading his team to achieve exceptional business results. He is fully committed and will continue to play an

active role in the Business strategy and operations. His vast experience of 24 years is backed by astute and dynamistic leadership qualities.

- (5). **Remuneration proposed: - As stated in the Explanatory Statement at Item No. 4 of this Notice.**
- (6). **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

The remuneration as proposed of Mr. Amit Anil Raje is comparable to that drawn by the peers in the similar capacity in the industry and commensurate with the size of the Company and diverse nature of its businesses. Moreover, in his position as Managing Director of the Company, Mr. Amit Anil Raje devotes his substantial time in overseeing the operations of the Company.

- (7). Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed, Mr. Amit Anil Raje does not have any pecuniary relationship with the Company. Mr. Amit Anil Raje, is the son of Mr. Anil Anant Raje, who is the non-executive director in the Company and brother of Mrs. Arati Nath, who is the CEO & woman director in the Company. He is a member of the promoter group in the Company. He holds 1531600 equity shares in the share capital of the Company.

III. Other information:

1. Reasons of loss or inadequacy of profits:

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mr. Amit Anil Raje i.e. till March 31, 2022.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. Disclosures:

1. **Remuneration package of the managerial person:** Fully described in the explanatory statement as stated above.

2. Disclosures in the Board of Directors’ report under the heading ‘Corporate Governance’ included in Annual Report 2021-22:

The Company being a SME Listed Company is not mandated to prepare Corporate Governance Report.

The Board therefore recommends the resolution for your approval.

Except Mr. Amit Anil Raje (the appointee) Mr. Anil Anant Raje and Mrs. Arati Nath (the relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

Item No. 5

The Members of the Company at the Annual General Meeting held on 24th September, 2020 approved appointment of Mrs. Arati Nath (DIN: 08741034) as CEO & Director of the Company with effect from May 12, 2020 for a period of five years and remuneration for a period of two year. It is proposed to fix their remuneration for a further period of one year as mentioned below:

Particulars	Amount
iii. Term of remuneration	1 Year w.e.f. 01.04.2022
iv. Remuneration	
Monthly Gross Salary:	2,84,002
Perquisites & Allowances:	As per rule of the Company.

The total remuneration payable to Mrs. Arati Nath exceeds 5% of the estimated net profits of the Company to be calculated as per the provisions of section 198 of the Companies Act, 2013 (“the Act”) and accordingly an approval of shareholders through a special resolution is being sought.

It is hereby confirmed that the Company has not committed any default in payment of dues to any bank or public financial institution or any other secured creditor.

In terms of Schedule V to the Act, the relevant details that are required to be disclosed are provided hereunder:

I. General information:

- 1) **Nature of industry:** Manufacturing industry
- 2) **Date or expected date of commencement of commercial production:** the Company was incorporated on 24th August 1982 and has been in operation since 1982.
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4) **Financial performance based on given indicators**

(₹ in lakhs)

Particulars	2021-22	2020-21
Total income	18,17,93,860	11,87,20,295
Total expenses	(16,45,98,663)	(10,85,52,957)
Profit before tax and exceptional items	1,71,95,197	1,01,67,338
Exceptional items	-	-
Profit before tax	1,71,95,197	1,01,67,338
Tax Expenses	(30,22,633)	(17,84,481)
Profit after Tax (PAT)	1,41,72,564	83,82,857
Other Comprehensive Income	5,69,64,277	4,85,81,420
Provisions during the year	(34,38,393)	-
Total Comprehensive Income for the year	6,76,98,448	5,69,64,277

5) **Foreign investments or collaborations, if any:** Not Applicable

II. Information about Mrs. Arati Nath:

(1). Background details

Mrs. Arati Nath was appointed as CEO & Director vide AGM Resolution dated September 24, 2020 for a period of 5 year.

Being a post graduate diploma in Business Analytics- Finance and Bachelor in Commerce, she has made the company's technical department more stable by incorporating new technologies and processes.

(2). Past remuneration

Financial Years	Amount (₹ in lakhs)
2019-2020	14,82,270.00
2020-2021	17,58,587.00
2021-2022	20,18,748.00

(3). Recognition of awards:

Under the dynamic leadership of Mrs. Arati Nath, the Company has been winning awards year on year.

(4). Job profile and his suitability:

Mrs. Arati Nath is the CEO & Director of Aartech Solonics Limited. She holds a post graduate diploma in Business Analytics- Finance and Bachelor in Commerce. She has an excellent track record of building and strengthening delivery excellence, quality, talent management and leadership development, and is instrumental in making strategic decisions. She leverages her strong experience in her field and her sharp

observational skills to set the standards for her core management team to execute the Company's growth strategy.

- (5). **Remuneration proposed: - As stated in the Explanatory Statement at Item No. 5 of this Notice.**
- (6). **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

The remuneration as proposed of Mrs. Arati Nath is comparable to that drawn by the peers in the similar capacity in the industry and commensurate with the size of the Company and diverse nature of its businesses. Moreover, in her position as CEO & Director of the Company, Mrs. Arati Nath devotes her substantial time in overseeing the operations of the Company.

- (7). Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed, Mrs. Arati Nath does not have any pecuniary relationship with the Company. Mrs. Arati Nath, is the daughter of Mr. Anil Anant Raje, who is the non-executive director in the Company and sister of Mr. Amit Anil Raje, who is the Chairman & Managing Director in the Company. She is a member of the promoter group in the Company. She holds 137235 equity shares in the share capital of the Company.

III. Other information:

1. Reasons of loss or inadequacy of profits:

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mrs. Arati Nath i.e. till March 31, 2022.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. Disclosures:

1. **Remuneration package of the managerial person:** Fully described in the explanatory statement as stated above.

2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2021-22:

The Company being a SME Listed Company is not mandated to prepare Corporate Governance Report.

The Board therefore recommends the resolution for your approval.

Except Mrs. Arati Nath (the appointee) Mr. Anil Anant Raje and Mr. Amit Anil Raje (the relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

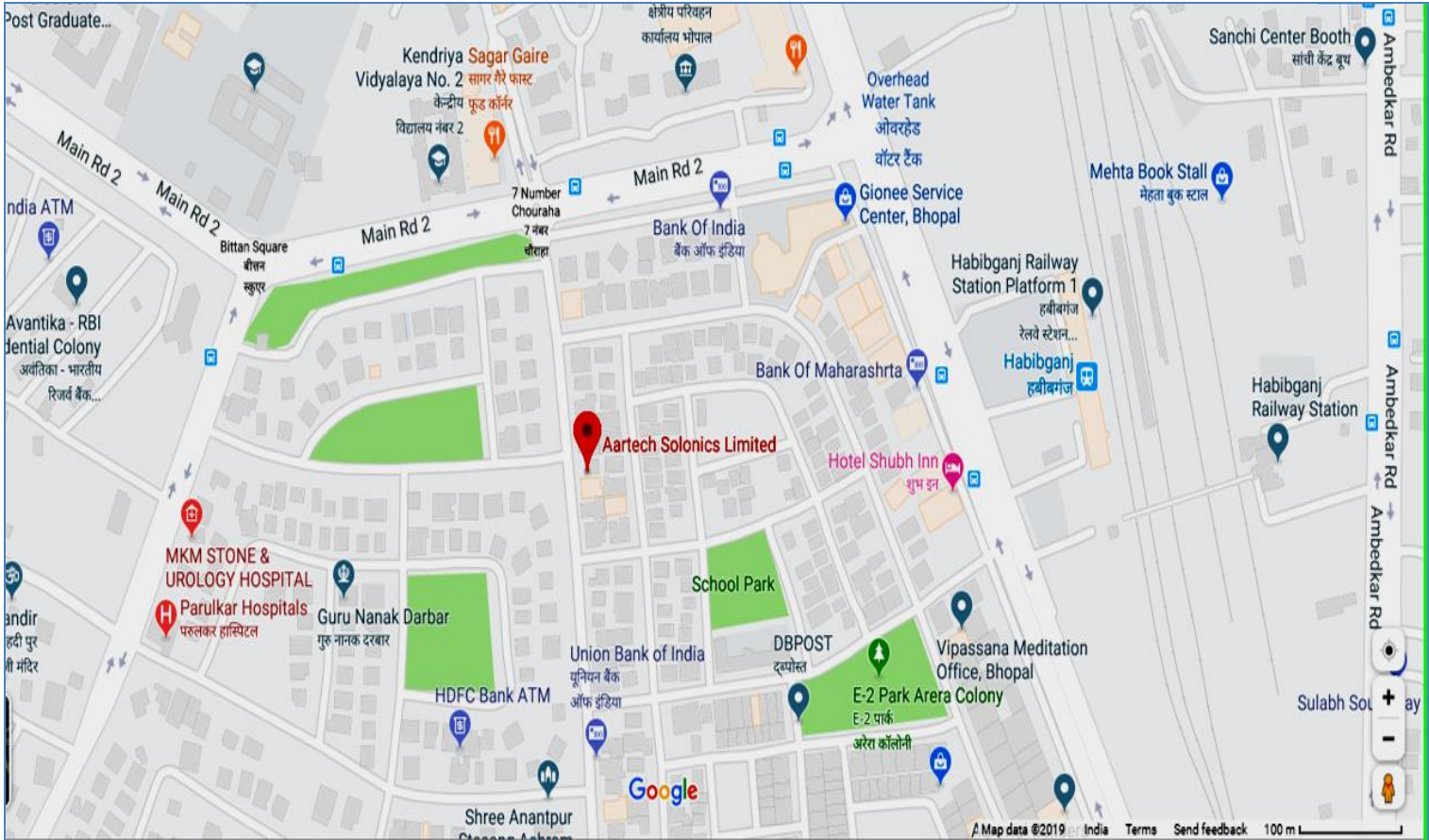
**By Order of the Board of Directors of
Aartech Solonics Limited**

**Place: Bhopal
Dated: 16/08/2022**

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

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

ROUTE MAP TO THE AGM VENUE



DIRECTOR'S REPORT

To,
The Shareholders,
Aartech Solonics Limited
Bhopal

Your Directors are pleased to present the 40th 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, 2022. 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 2022	Year ended 31st March 2021	Year ended 31st March 2022	Year ended 31st March 2021
Revenue from Operations	16,35,95,690	10,92,82,561	16,33,63,679	10,95,85,424
Other Income	1,81,98,170	94,37,734	1,45,17,398	58,35,764
Total Revenue	18,17,93,860	11,87,20,295	17,78,81,077	11,54,21,188
Less: Expenses	(16,45,98,663)	(10,85,52,957)	(14,36,40,002)	(11,08,19,635)
Profit before Finance Cost, Depreciation/ Amortisation Expenses & Tax	1,71,95,197	1,01,67,338	3,42,41,075	46,01,553
Exceptional Items	-	-	-	-
Profit before Depreciation/ Amortisation Expenses & Tax	1,71,95,197	1,01,67,338	3,42,41,075	46,01,553
Less: Depreciation/ Amortisation Expenses	-	-	-	-
Profit/ (Loss) before tax	1,71,95,197	1,01,67,338	3,42,41,075	46,01,553
Current Tax	28,70,224	17,50,487	59,24,565	17,50,487

Deferred Tax	1,52,409	33,994	3,41,483	2,73,482
Net Profit/ (Loss) after tax	1,41,72,564	83,82,857	2,79,75,027	25,77,584

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. 18,17,93,860/- as against Rs. 11,87,20,295/- in the previous year. The Company has earned a net profit of Rs. 1,41,72,564/- as compared to profit of Rs. 83,82,857/- 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. 17,78,81,077/- as against Rs. 11,54,21,188/- in the previous year. The Company has earned a net profit of Rs. 2,79,75,027/- as compared to profit of Rs. 25,77,584/- in the previous year.

3. CHANGE IN NATURE OF BUSINESS

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

4. DIVIDEND

In continuation of earlier trend of declaring dividend and keeping in mind overall performance and the outlook of your company, the directors are pleased to recommend for approval of the members, at the ensuing Annual General Meeting, a final dividend of ₹ 0.05/- per equity share for the financial year 2021-2022.

The Final Dividend subject to the approval of Members at the Annual General Meeting on Friday, 09th September, 2022, will be paid to the Members whose names appear in the Register of Members, as on the Book Closure date, i.e., from Friday, 02nd day of September 2022 to Friday, 09th day of September, 2022 (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, 2022 is Rs. 10,59,01,250/- (Rupees Ten Crore Fifty-Nine Lakh One Thousand Two Hundred Fifty only). The Company issued 3530031 bonus shares to its shareholders during the year 2021-2022 which resulted in enhancement in its paid-up share capital from ₹ 7,06,00,940/- to ₹10,59,01,250/-.

6. RESERVES

The Company has transferred ₹ 1,41,72,564/- to its Reserves during the year.

7. NUMBER OF BOARD MEETINGS HELD

At Aartech, we have a system of convening at least 4 (four) board meetings annually. However, as per the specific requirements additional Board meetings are also convened by giving appropriate notice. During the period under review i.e., 1st April 2021 to 31st March 2022 –Nine Board Meetings were held on the following dates –21.05.2021, 15.06.2021, 08.07.2021, 26.08.2021, 06.09.2021, 03.11.2021, 10.11.2021, 23.11.2021 and 21.03.2022. The gap between two Meetings did not exceed one hundred and twenty days.

Details of the number of meetings held during the FY 2021-22 and attendance of Directors is given herein below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting		Last AGM
				Held	Attended	
1.	Mr. Amit Anil Raje	Executive Director	Chairman and Managing Director	9	9	Yes
2.	Mrs. Arati Nath	Executive Director	CEO & Director	9	9	Yes
3.	Mr. Anil Anant Raje	Non-Executive Director	Director	9	9	Yes
4.	Mr. Prashant Dattatray Lowlekar	Non-Executive & Independent Director	Director	9	9	Yes
5.	Mr. Kshitij Negi	Non-Executive & Independent Director	Director	9	9	Yes

8. BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience cultural and geographical backgrounds, age ethnicity, race and gender will help us retain our competitive advantage. The board diversity policy adopted by the board sets out its approach to diversity.

9. DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

10. HUMAN RESOURCE MANAGEMENT

Our most valuable asset is our team of professionals. We are committed to hiring and retaining the best talent. We do this by emphasizing the need of fostering a collaborative, transparent, and participatory organizational culture, as well as rewarding excellence and consistent high performance. Our human resource management focuses on allowing our people to advance their careers, develop their talents, and plan for the future. Aartech multidisciplinary workforce is committed to operating safely and to world class quality standards. In these challenging circumstances, employees have shown commitment and resilience during the past twelve months, consistent with our values of excellence, integrity and professionalism.

Particulars of employees

At Aartech, our people are the cornerstone of our success. Our staff have demonstrated amazing tenacity and perseverance over the past year, and they are the driving force behind Aartech's industry-leading growth. During FY22, Aartech developed and expanded many development initiatives with the goal of further strengthening and expanding our workforce's abilities in order to meet the changing needs of our business.

11. NOMINATION & REMUNERATION POLICY OF THE COMPANY

The Company's policy relating to remuneration of Directors, Key Managerial Personnel and other Employees is given in **Annexure A**. The policy is also displayed on website of the Company at www.aartechsolonics.com

12. 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 2021-2022.

13. 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 C** and also available on the website of the company at www.aartechsolonics.com.

14. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

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

15. BOARD OF DIRECTORS & ITS MEETINGS

The Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of Executive, Non-Executive and Independent Directors including Woman Directors. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders. One meeting of the Board of Directors is held in each quarter. Additional meetings of the Board are convened as may be necessary for proper management of the business operations of the Company. Separate meeting of Independent Directors is also held at least once in a year to review the performance of Non- Independent Directors, the Board as a whole and the Chairman. The details pertaining to the composition, terms of reference of the Board of Directors of the Company and the meetings thereof held during the financial year forms part of this Annual Report.

Information available for the members of the Board:-

The Board has complete access to any information within the Company. The Company has provided inter alia following information and discussed the matters:

- Financial results of the Company;
- Minutes of meetings of the Board and Committee Meetings;
- Quarterly and Yearly Compliance reports;
- Disclosures received from Directors;
- Related party transactions;
- Regular business updates;
- Report on action taken on last Board Meeting decisions;
- Various policies of the Board;
- Code of Conduct for the members of the Board.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY UNDER SECTION 186

The Company has not granted any loan, guarantee, or made any investments during the year ended 31st March 2022 under Section 186 of the Companies Act, 2013 and rule made there under. Pursuant to Section 186 (4) read with rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances and investments are provided as part of the financial statements.

17. BOARD EVALUATION

The provision of Sec. 149(8) of Companies Act, 2013 states that formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Further Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its committees and individual directors including Independent Directors. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. Recommendations and suggested areas of improvement for the Board, its various committees and the individual Directors were considered by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

a) Directors

Your Company has Five (5) Directors of which Two (2) are Executive, One (1) Non-Executive & Non Independent and Two (2) are Non-Executive & Independent Directors as on 31st March, 2022.

b) Independent Directors

In terms of the definition of 'Independent Directors' as prescribed under Regulation 16 (1) (b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, to the effect that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The following Non-Executive Directors are Independent Directors of the Company:

1. Mr. Kshitij Negi
2. Mr. Prashant Dattatray Lowlekar

c) Managing Director

During the year, Mr. Amit Anil Raje continued to remain as the Chairman & Managing Director of the Company.

d) Appointment/ Resignation of Director and Key Managerial Personnel

During the year, Mr. K R Tanuj Reddy and Mr. Pradeep Vasant Narkhede continued to remain as the Company Secretary & Compliance Officer and as the Chief Financial Officer of the Company respectively.

e) Retire by Rotation

Mrs. Arati Nath, Director of the Company will retire by rotation at the 40th Annual General Meeting in pursuance of the provisions of Section 152 of the Companies Act, 2013 and being eligible has offered herself for the re-appointment at the 40th Annual General Meeting.

Further details as required under the provisions of Regulation 36 (3) of Listing Regulation about the Director seeking reappointment in the ensuing Annual General Meeting are annexed to the Notice of 40th Annual General Meeting which is being sent to the Members along with the Annual Report.

18. COMMITTEES OF THE BOARD

The Board of Directors has constituted various mandatory and non-mandatory committees to deal with specific areas and activities. The Committees are formed with approval of the Board and function under their respective Charters.

These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The Board currently has the following Committees:

Mandatory Committees: -

a) Audit Committee

The Audit Committee was constituted by our Board in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

As on March 31, 2022, the Audit Committee is headed by Mr. Prashant Dattatray Lowlekar and has Mr. Kshitij Negi and Mr. Amit Anil Raje as its members. All the members of the Committee have relevant experience in financial matters.

The Board assures that the members of the Committee are financially literate. In addition to the Audit Committee members, Statutory Auditors, the Chief Financial Officer, Head – Internal Auditors, are also invited to the Audit Committee Meetings, on need basis. The Company Secretary of the Company is the Secretary of the Committee.

The Audit Committee member meets at least four times a year with maximum interval of four months between two meetings and reports to the Board if required. During the year 2021-22, seven meeting of the Audit Committee were held i.e., 21.05.2021, 15.06.2021, 06.09.2021, 03.11.2021, 10.11.2021, 23.11.2021 and 21.03.2022.

The Composition of the Audit Committee and the details of the meetings attended by its members held during the financial year 2021-22 are stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended

1.	Mr. Prashant Dattatray Lowlekar	Non-Executive & Independent Director	Chairperson	7	7
2.	Mr. Kshitij Negi	Non-Executive & Independent Director	Member	7	7
3.	Mr. Amit Anil Raje	Executive Director	Member	7	7

b) Stakeholder's Relationship Committee

Stakeholder's Relationship Committee has been constituted by the Board in accordance with Section 178 of the Companies Act, 2013. The Committee specifically looks into the redressal of shareholders and investors complaints such as transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, payment of unclaimed dividends etc.

In addition, the Committee also investigated matters that can facilitate better investor services and relations. The Board was kept apprised of all the major developments on investors' issues through various reports and statements furnished to the Board from time to time throughout the year. As on March 31, 2022, the Company's Stakeholders Relationship Committee was headed by Mr. Kshitij Negi and other members of the Committee are –Mr. Anil Anant Raje and Mr. Amit Anil Raje.

In order to act in compliance with Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholders Relationship Committee reports to the Board as and when need arise, with respect to the status of redressal of complaints received from the shareholders of the Company. During the year 2021-22, four meeting of the committee were held on 21.05.2021, 06.09.2021, 10.11.2021 and 21.03.2022. The requisite quorum was present in the meeting.

The Composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members held during the financial year 2021-22 is stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended
1.	Mr. Kshitij Negi	Non-Executive & Independent Director	Chairperson	4	4
2.	Mr. Anil Anant Raje	Non-Executive Director	Member	4	4
3.	Mr. Amit Anil Raje	Executive Director	Member	4	4

c) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in accordance with section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015. This policy is applicable to all Directors, Key Managerial Personnel (KMP), Senior Management team and other employees of Aartech Solonics Limited (“Company”). During the year 2021-22, four meeting of the committee were held on 21.05.2021, 06.09.2021, 10.11.2021 and 21.03.2022. The requisite quorum was present in the meeting.

The Composition of the Nomination and Remuneration Committee and the details of the meetings attended by its members held during the financial year 2021-22 is stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended
1.	Mr. Kshitij Negi	Non-Executive & Independent Director	Chairperson	4	4
2.	Mr. Prashant Dattatray Lowlekar	Non-Executive & Independent Director	Member	4	4
3.	Mr. Anil Anant Raje	Non-Executive Director	Member	4	4

19. VIGIL MECHANISM (WHISTLE BLOWER POLICY)

In terms of the Section 177(9) of Companies Act, 2013 and rules framed there under, your Company has established a ‘Whistle Blower Policy and Vigil Mechanism’ for directors and employees it provides a channel to the employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company’s code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. Protected disclosures can be made by whistle blower through an e-mail, or dedicated telephone line or a letter to the concerned authorities.

20. PREVENTION OF INSIDER TRADING

The Board has Insider Trading Policy for regulating, monitoring and reporting of Trading of Shares by Insiders. The Code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company.

21. 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, 2022 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, 2022 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.
- vii. the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED TO SECTION 188(1)

All transactions entered with Related Parties for the year under review were entered on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 and the Rules made there under were not attracted. The particulars of contracts or arrangements with related parties referred to in Section 188(1) is prepared in Form AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is annexed to the Board's Report as **Annexure-B**.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. The Company has a process in place to periodically review and monitor Related Party Transactions. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. All the related party transactions were in the ordinary course of business and at arm's length.

23. RISK MANAGEMENT

For your Company, Risk Management is an integral and important component of Corporate Governance. Your Company believes that a robust Risk Management ensure adequate controls and monitoring mechanisms for a smooth and efficient running of the business. A risk-aware organization is better equipped to maximize the shareholder value. Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. These levels form the strategic defense cover of the Company's risk management. The Company has a robust organizational structure for managing and reporting on risks. The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company's Business Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing the terms of likelihood and magnitude of impact and determining response strategy.

24. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Account) Rules, 2014:

A. Conservation of Energy

While continuing to believe in philosophy of Energy saved is Energy produced, adequate measures commensurate with the business operations have been taken to reduce and conserve the energy consumption by utilizing energy efficient equipment whenever required.

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.

25. 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.

26. CORPORATE SOCIAL RESPONSIBILITY

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

27. 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.

28. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review the Company has complied with all the applicable mandatory secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

29. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems that commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and reports the same on quarterly basis to Audit Committee.

The statutory auditors of the Company have audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

30. AUDIT REPORT AND AUDITORS

STATUTORY AUDITORS

The Members of the Company had appointed M/s S. Ramanand Aiyer & Co., Chartered Accountants (Firm Registration No. 000990N) as the Statutory Auditors 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.

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s APVN & Associates, Company Secretaries, Bhopal to undertake the Secretarial Audit of the Company for the Year 2021-22.

Secretarial Audit Report for the Financial Year 2021-2022 as issued by M/s APVN & Associates, Company Secretaries, Bhopal in form MR-3 is annexed to the Board's Report as **Annexure - E** which is self-explanatory and do not call for any further explanation of the Board.

31. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

32. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATED AND THE DATE OF REPORT

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2022, to the date of signing of the Boards Report.

33. 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.

34. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis Report on the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report.

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

Your Company is committed to provide a work environment that ensures everyone is treated with dignity and respect. The Company is also committed to promote equality at work and an environment that is conducive to the professional growth for all employees and encourages equal opportunity. Your Company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment including sexual harassment. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the Financial Year ended March 31, 2022, the Company has not received any Complaints pertaining to Sexual Harassment.

36. REPORTING OF FRAUDS

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

37. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating, and building for growth, enhancing the productive asset and resource base, and nurturing overall corporate reputation.

38. COVID-19

The country witnessed lockdown being implemented in India again in the month of April 2021. The rapid and devastating spread of the coronavirus brought global business activity to a screeching halt. We reacted quickly by giving the necessary assistance to the workers, clients, and community. The Company swiftly ramped up its efforts and returned operations to normal. The need to safeguard the

physical safety and emotional well-being of our worldwide workforce was at the heart of these initiatives.

Due to the COVID-19 pandemic, FY 2021-22 has started on an unusual note, with complete lockdown in India and lockdowns/business restrictions of varied degrees throughout the rest of the world. Companies across all industries are working hard to recuperate revenue losses, control costs, keep staff safe, and provide uninterrupted services to customers. With so many global businesses relying on India's technology services sector to run their core operations, the industry's resilience has wide ranging global impact. Corporations, along with delivering business continuity for clients, must, with renewed vigor, ensure the wellbeing of their employees and the communities in which they operate.

Our dedication to our clients remained steadfast throughout this time, as seen by the record number of significant deals we closed while working remotely. We were able to meet client service level agreements (SLAs) and complete project milestones on time thanks to our operations teams providing efficient work-from-home processes and remote communication.

Regular communication with our customers providing updated information on all measures taken to ensure continuity have been well received with many customers appreciating our seamless transition to a WFH model. At Aartech, even amid an unprecedented global crisis, we continue to balance success as a business with exemplary governance and responsiveness to the needs of all our stakeholders.

The Company's first concern was to protect the safety of its employees by staying true to its purpose and principles. The company is well positioned to make the most of remote collaborative working solutions. The Company places a high focus on the health and safety of its employees, partners, and consumers.

39. CAUTIONARY STATEMENT

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, tax regimes, economic developments in the Country and other ancillary factors.

40. APPRECIATIONS AND ACKNOWLEDGMENTS

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth. Your directors acknowledge with gratitude and wishes to place on record its appreciation for the dedication and commitment of your Company's employees at all levels which has continued to be our major strength. Your directors also thank the shareholders, investors,

customers, visitors to our websites, business partners, bankers and other stakeholders for their confidence in the Company and its management and look forward for their continuous support.

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

**Place: Bhopal
Dated: 16/08/2022**

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

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

ANNEXURE A

**NOMINATION/REMUNERATION POLICY
OF
AARTECH SOLONICS LIMITED**

NOMINATION & REMUNERATION POLICY

The Nomination and Remuneration Committee of the Company formulated “Nomination and Remuneration Policy” of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (“Listing Regulations”), as amended thereof from time to time.

Applicability

The Policy shall be applicable for recommendation of the appointment as well as change in remuneration of the following categories of the persons in the company:

- Directors (Executive and Non-executive);
- Key Managerial Personnel; and
- Senior Management Personnel.

Nomination and remuneration Committee

The Board of Directors of the Company constituted the committee to be known as the Nomination and Remuneration Committee (hereinafter referred as Committee) consisting of three or more non-executive directors out of which at least fifty present directors should be Independent Directors. The Chairperson of the Committee shall be an independent Director.

The nomination and remuneration committee shall meet at least once in a year.

Quorum for conducting the meeting of nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders’ queries.

Objective

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The objective of this policy is to lay down a framework in relation to

remuneration of directors, KMP's, SMP's and other employees. The Key objectives of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a directors and recommending to the Board a policy, relating to the remuneration of the directors, executive directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management and to recommend to the Board for their appointment and removal;
5. specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
6. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. Analyzing, monitoring and reviewing various human resource and compensation matters;
9. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
10. Determining compensation levels payable to the key managerial personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.

Performing such functions as are required to be performed by the remuneration committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

12. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (PIT) Regulations, 2018 as amended from time to time; or

- ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

13. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be complied by the Nomination and Remuneration Committee.

Definitions

“**Act**” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“**Board**” means Board of Directors of the Company.

“**Directors**” mean Directors of the Company.

“**Key Managerial Personnel**” means

- i. the Managing Director, or Chief Executive Officer or Manager and in their absence, a whole-time director;
- ii. Chief Financial Officer;
- iii. Company Secretary;
- iv. Such other Officer as may be prescribed.

“**Senior Management**” shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/ manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Policy for Appointment and Removal of Directors, KMP's and Senior Management

1. General

- a) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole- time Director who has attained the age of seventy years and the non-executive directors who has attained the age of 75 years. Provided that the term of the person holding this position may be extended beyond the age of seventy/ seventy-five years with the approval of shareholders by passing

a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy/seventy-five years.

- d) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Director of Aartech Solonics Limited.

2. Term/ Tenure

- a) Managing Director/ Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3. Evaluation of performance

The Committee will make recommendations to the Board on appropriate performance criteria for the Directors. Also it will formulate the criteria and framework for evaluation of performance of every director on the Board of the Company, Senior Management Personnel at regular intervals (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy on Remuneration of Directors, KMP's and Senior Management

1. Remuneration of Managing Director/Whole-time Director, KMP and Senior Managerial Personnel

The Remuneration/Compensation/Commission etc to Directors will be determined by the committee and recommended to the Board for approval.

The Remuneration/ Compensation/ Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013, rules made there under and/or any other enactment for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended thereof from time to time.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended thereof from time to time. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

3. Remuneration to KMP (except MD/WTD) and Senior Management Personnel

- a) The remuneration for KMP (except WTD/MD) and Senior Management Personnel is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- b) The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- c) The annual increments to the remuneration paid to KMP (except MD/WTD) and Senior Management Personnel shall be determined based on their performance as reviewed by the committee.

The duties of the Committee in relation to nomination matters include:

- i. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation;
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and
- xi. Considering any other matters, as may be requested by the Board.

Duties of the Committee in relation to remuneration matters include:

- a. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company.
- c. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d. to consider any other matters as may be requested by the Board.
- e. Professional indemnity and liability insurance for Directors and senior management.

The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

ANNEXURE B

Particulars of contracts/arrangements entered into by the company with related parties Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies
(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related
parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's
length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's 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

Details of material contracts or arrangements or transactions at arm's length basis:

	Name(s) of the related party and nature of relationship	AIC-Aartech Solonics Pvt Ltd	Faradigm Ultracapacitors Pvt Ltd
a.	Nature of contract /arrangements/transaction	<ul style="list-style-type: none"> • Unsecured Loan • Interest paid on Loan • 8% Convertible Debentures • Interest on Debentures • Job Work Expenses 	<ul style="list-style-type: none"> • Interest on Unsecured Loan • 8% Convertible Debentures • Interest on Debentures • Purchases • Sales
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"> • Rs. 10,12,042 • Rs. 79,910 • Rs. 2,00,00,000 • Rs. 17,00,000 • Rs. 6,19,125 	<ul style="list-style-type: none"> • Rs. 72,055 • Rs. 2,50,00,000 • Rs. 21,25,000 • Rs. 4,21,40,627 • Rs. 11,27,933

d.	Date(s) of approval by the Board	21/05/2021	21/05/2021
e.	Amount paid as advances, if any	Nil	Nil

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

**Place: Bhopal
Dated: 16/08/2022**

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

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

ANNEXURE C

**Form No. MGT 9
EXTRACT OF ANNUAL RETURN
[As on Financial Year ended on 31.03.2022]**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & 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	Bigshare Services Pvt. Ltd. S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai- 400059, Maharashtra 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
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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, 2021)				No. of Shares held at the end of the year (As on March 31, 2022)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual / HUF	2492000	-	2492000	35.30	3737999	-	3737999	35.30	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	1205890	-	1205890	17.08	1808834	-	1808834	17.08	-
Sub-total (A) (1):-	3697890	-	3697890	52.38	5546833	-	5546833	52.38	-
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding (A) = (A)(1) + (A)(2)	3697890	-	3697890	52.38	5546833	-	5546833	52.38	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Others – Market Maker	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	210867	20529	231396	3.28	638559	112053	750612	7.09	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	1739640	46667	1786307	25.30	2296680	-	2296680	21.69	-
c) Any Others	1328000	16501	1344501	19.04	1996000	-	1996000	18.84	-
d) Others - HUF	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	3278507	83697	3362204	47.62	4931239	112053	5043292	47.62	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	3278507	83697	3362204	47.62	4931239	112053	5043292	47.62	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6976397	83697	7060094	100	10478072	112053	10590125	100	-

ii. Shareholding of Promoters and Promoters Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e April 01, 2021			Shareholding at the end of the year i.e March 31, 2022			% 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	-	2338000	22.08	-	-
2.	Chhaya Anil Raje	933333	13.22	-	1399999	13.22	-	-
3.	Amit Anil Raje	1021067	14.46	-	1531600	14.46	-	-
4.	Poonam Jaideep Mulherkar	93333	1.32	-	139999	1.32	-	-
5.	Arati Nath	91490	1.30	-	137235	1.30	-	-

iii. Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
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		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):	There is no change in Promoters and Promoter Group Shareholding during the financial year 2020-21.			
	At the end of the year	5546833	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, 2022)

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	-	-	1638000	15.47
2.	Ashtamangal Projects Limited				
	At the beginning of the year	612000	8.67	-	-
	At the end of the year	-	-	918000	8.67
3.	Kanak Steel Mills Pvt Ltd				
	At the beginning of the year	224000	3.17	-	-
	At the end of the year	-	-	336000	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	-	-	330000	3.12
5.	Santosh Kumar Pandey				
	At the beginning of the year	196000	2.78	-	-
	At the end of the year	-	-	294000	2.78
6.	Fortune Futures Private Limited				
	At the beginning of the year	88000	0.83	-	-
	At the end of the year	-	-	294000	2.78
7.	Manoj Kumar Chaturvedi				
	At the beginning of the year	164000	1.55	-	-
	At the end of the year	-	-	246000	2.32
8.	Swastika Investmart Limited				
	At the beginning of the year	140000	1.32	-	-
	At the end of the year	-	-	50000	0.47

9.	Pradeep Vasant Narkhede				
	At the beginning of the year	131120	1.24	-	-
	At the end of the year	-	-	118680	1.12
10.	Vivek Jayant Dikey				
	At the beginning of the year	59640	0.56	-	-
	At the end of the year	-	-	89460	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	22.08	-	-
	At the end of the year	-	-	2338000	22.08
2.	Amit Anil Raje	1021067	14.46	-	-
	At the end of the year	-	-	1531600	14.46
3.	Arati Nath	91490	1.30	-	-
	At the end of the year	-	-	137235	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	131120	1.85	-	-
	At the end of the year	-	-	118680	1.12
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
Indebtedness at the beginning of the year				
• Principal Amount	87,55,427	-	-	87,55,427
• Interest due but not paid	-	-	-	-
• Interest accrued but not due	-	-	-	-
Total	87,55,427	-	-	87,55,427
Change in Indebtedness during the year				
• Addition	-	-	-	-
• Reduction	22,37,827	-	-	22,37,827
Net Changes	(22,37,827)	-	-	(22,37,827)
Indebtedness at the end of the year				
• Principal Amount	65,17,600	-	-	65,17,600
• Interest due but not paid	-	-	-	-
• Interest accrued but not due	-	-	-	-

Total	65,17,600	-	-	65,17,600
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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	21,33,600	20,18,748	7,31,352	6,19,938	55,03,638
	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	-	-	-	-	-
	Total (A)	21,33,600	20,18,748	7,31,352	6,19,938	55,03,638

B. Remuneration to Other Directors:

Sr. No.	Particulars of Remuneration	Prashant Dattatray Lowlekar (Independent Director)	Anil Anant Raje (Non-executive Director)	Kshitij Negi (Independent Director)	Total Amount
1	Independent Directors				
	- Fee for attending board committee meetings	45,000	-	45,000	90,000
	- Commission	-	-	-	-
	- Others please specify	-	-	-	-
	Total (1)	45,000	-	45,000	90,000
2	Other Non-Executive Directors				
	- Fee for attending board committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others please specify	-	-	-	-
	Total (2)	-	-	-	-
3	Total (B) = (1 + 2)	45,000	-	45,000	90,000

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: 16/08/2022**

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

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

ANNEXURE D
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

Name of associates/Joint Ventures	AIC-Aartech Solonics Private Limited	Faradigm Ultracapacitors Private Limited
1. Latest audited Balance Sheet Date	12/05/2022	12/05/2022
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. 38,58,466.00/-
6. Profit/Loss for the year		
i. Considered in Consolidation	Rs. (17,96,725.00)/-	Rs. 1,57,17,675.00
ii. Not Considered in Consolidation	--	--

ANNEXURE E

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022
[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 SOLONICS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AARTECH SOLONICS 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 SOLONICS 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, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by AARTECH SOLONICS LIMITED for the financial year ended on 31st March, 2022, 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: 10/08/2022
Place: Bhopal
UDIN: F011543D000772347

Sd/-
CS AVADHESH PARASHAR
FCS No. 11543
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 31st March, 2022 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: 10/08/2022
Place: Bhopal
UDIN: F011543D000772347**

**Sd/-
CS AVADHESH PARASHAR
FCS NO. 11543
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 Microprocessor 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 2021-22

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, 2022
1.	Amit Anil Raje Chairman & Managing Director	21,33,600	13.41:1	NIL
2.	Arati Nath CEO & Director	20,18,748	12.69:1	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.	Prashant Dattatray Lowlekar	Independent Director	0.28:1
5.	Kshitij Negi	Independent Director	0.28:1

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, 2022
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, 2022.

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

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

**Place: Bhopal
Dated: 16/08/2022
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, 2022 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain 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, 2022 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 2021-22.
- Significant changes in accounting policies during the financial year 2021-22 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: 16/08/2022

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, 2022, 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, 2022, 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, 2020 ("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, 2022 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of section 164(2) of the Act;
 - f. With respect to 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: May 12, 2022

UDIN: 22129331AIVHWT2050

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
FRN: 000990N

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

Place: Bhopal
Date: May 12, 2022
UDIN: 22129331AIVHWT2050

BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Note	As at 31st March 2022	As at 31st March 2021
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	2	10,59,01,250	7,06,00,940
Reserves & Surplus	3	18,37,85,888	20,83,52,027
Non-Current Liabilities			
Long term Borrowings		-	-
Deferred Tax Liabilities (Net)	4	8,17,086	6,64,677
Government Grant	5	21,47,449	-
Current Liabilities			
Short Term Borrowings	6	65,17,600	87,55,427
Trade Payables	7	4,17,25,558	1,48,60,259
Other Current Liabilities	8	8,45,943	8,67,700
Short Term Provisions	9	72,44,775	70,63,572
TOTAL		34,89,85,549	31,11,64,602
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	10	2,43,38,094	2,19,91,663
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
Non-Current Investments	11	6,11,14,451	6,11,14,451
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	12	6,59,84,520	6,35,23,450
Other Non Current Assets		-	-
Current Assets			
Current Investments	13	7,78,37,088	5,88,90,997
Inventories	14	2,44,78,123	2,02,81,115
Trade Receivables	15	7,08,46,107	6,34,99,824
Cash and Bank Balances	16	1,04,92,144	99,48,942
Short Term Loans and Advances	17	55,05,702	83,31,999
Other Current Assets	18	83,89,320	35,82,161
TOTAL		34,89,85,549	31,11,64,602

Significant accounting policies and notes to financial statements are given in note 1 to 31

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

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

For and on behalf of the Board of Directors

Sd/-
CA Amit Singhvi
Partner
(Membership No. 129331)
Place: Bhopal
Date: May 12, 2022
UDIN: 22129331AIVHWT2050

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, 2022

Particulars	Note	As at 31st March 2022	As at 31st March 2021
REVENUES			
Revenue from operations	19	16,35,95,690	10,92,82,561
Other Income	20	1,81,98,170	94,37,734
TOTAL REVENUE		18,17,93,860	11,87,20,295
EXPENDITURES			
Cost of materials consumed	21	10,65,92,460	5,45,05,136
Change in inventories of finished goods and work in process	22	-1,85,145	31,62,112
Employee benefit expenses	23	2,71,59,151	2,72,14,595
Finance costs	24	17,08,158	16,08,783
Depreciation and amortization expenses	25	19,96,062	21,05,459
Other expenses	26	2,73,27,977	1,99,56,872
TOTAL EXPENSES		16,45,98,663	10,85,52,957
Profit before exceptional and extraordinary items and tax		1,71,95,197	1,01,67,338
Exceptional Items		-	-
Profit before extraordinary items and tax		1,71,95,197	1,01,67,338
Extraordinary Items		-	-
Profit before tax		1,71,95,197	1,01,67,338
Tax Expense			
Current Tax	27	28,70,224	17,50,487
Deferred Tax	28	1,52,409	33,994
Profit for the year		1,41,72,564	83,82,857
Earnings per equity share (Par value of Rs. 10 each)			
Basic (₹)		1.34	1.19
Diluted (₹)		1.34	1.19

Significant accounting policies and notes to financial statements are given in note 1 to 31

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

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

For and on behalf of the Board of Directors

Sd/-
CA Amit Singhvi
Partner
(Membership No. 129331)
Place: Bhopal
Date: May 12, 2022
UDIN: 22129331AIVHWT2050

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, 2022

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:

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.

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 ASSETS (Tangible):

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.

1.8 FIXED ASSETS (Intangible):

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.

1.9 EXPENSES INCURRED DURING CONSTRUCTION PERIOD:

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.

1.10 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.

1.11 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.

1.12 FOREIGN CURRENCY TRANSACTIONS

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. 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. Non-monetary foreign currency items are carried at cost. 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.

1.13 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.

1.14 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.

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

1.15 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.

1.16 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.

1.17 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.

1.18 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.

1.19 PROVISIONS AND CONTINGENCIES:

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. Provisions are not discounted and are determined based on best estimate required to settle the obligation at each balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to effect the current best estimation.

A contingent liability is recognized for:

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.

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.

1.20 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.

Notes on Financial Statements for the Year ended 31st March, 2022
2. SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Authorized Share Capital:		
1,50,00,000 Equity shares of ₹10 each	15,00,00,000	10,00,00,000
Total	15,00,00,000	10,00,00,000
Issued, subscribed and Paid up:		
1,05,90,125 Equity shares of ₹10 each fully paid	10,59,01,250	7,06,00,940
Total	10,59,01,250	7,06,00,940

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 st March 2022	As at 31 st March 2021
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	35,30,031	-
- as fully paid up shares for cash	-	-
Less: Shares cancelled on buy back of Equity Shares	-	-
Equity Shares at the end of the year	1,05,90,125	70,60,094

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 As at March 31, 2022	No. of Shares	% held
---	---------------	--------

Mr. Anil Anant Raje	23,38,000	22.08%
Mrs. Chhaya Anil Raje	13,99,999	13.22%
Mrs. Prajakta Shashikant Kulkarni	16,38,000	15.47%
Mr. Amit Anil Raje	15,31,600	14.46%
Ashtamangal Projects Limited	9,18,000	8.67%

As at March 31, 2021

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	6,12,000	8.67%

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 st March 2022	As at 31 st March 2021
a) Capital Reserve		
Balance as per last Financial Statements	35,52,358	35,52,358
Add: Transferred from the statement of profit and loss	-	-
Closing Balance	35,52,358	35,52,358
b) General Reserve		
Balance as per last Financial Statements	9,69,15,392	9,69,15,392
Less: Bonus Shares issued	3,53,00,310	-
Closing Balance	6,16,15,082	9,69,15,392
c) Securities Premium		
Balance as per last Financial Statements	5,09,20,000	5,09,20,000
Add: Received during the year on issue on share	-	-
Closing Balance	5,09,20,000	5,09,20,000
e) Surplus/ (deficit) balance in statement of profit and loss during the year		
Balance as per last Financial Statements	5,69,64,277	4,85,81,420
Add: Profit for the year	1,41,72,564	83,82,857

Add: Provision of Income Tax	91,654	-
Less: Appropriations:		
- Dividend paid on Equity Shares	35,30,047	-
- Transferred to General Reserve	-	-
Closing Balance	6,76,98,448	5,69,64,277
Total	18,37,85,888	20,83,52,027

4. DEFERRED TAX LIABILITIES (Net)

Particulars	(Amount in ₹)	
	As at	
	31 st March 2022	
Deferred tax liability as on March 31, 2021	6,64,677	
Less: Deferred tax asset arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	54,985	
Add: Deferred tax liability arising on account of Section 43B of Income Tax Act	97,424	
Deferred tax liability as on March 31, 2022	8,17,086	

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. GOVERNMENT GRANT – DST

Particulars	(Amount in ₹)	
	As at	As at
	31 st March 2022	31 st March 2021
- Unspent Capital Grant for DST Project “Saur Stambh”	14,37,608	-
- Unspent Revenue Grant for DST Project “Saur Stambh”	7,09,841	-
Total	21,47,449	-

5.1 During the year the Department of Science and Technology has approved a grant for “Saur Stambh- a smart high mast light with long range, low power wireless wide area network for agri-iot application” vide sanction order No. DST/TMD/CERI/RES/2020/30(G) Dated 23-07-2021 for ₹ 26,96,000 for creation of capital assets in the above-mentioned project. The said amount has to be spent over the project duration of 24 months. The Company has received the initial release of the amount sanctioned amounting to ₹ 17,82,000. The amount of ₹ 3,44,392 has been utilized for procurement of permanent equipments and fabricated system.

6. SHORT TERM BORROWINGS

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
- HDFC Bank CC Account	65,17,600	87,55,427
- HDFC Bank (Bill Discounting)	-	-
Total	65,17,600	87,55,427

7. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Micro, Small and Medium Enterprises (Refer Note No. 7.1)	15,88,224	1,56,402
Others	4,01,37,335	1,47,03,857
Total	4,17,25,558	1,48,60,259

7.1 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 st March 2022	As at 31 st March 2021
Principal amount due and remaining unpaid	15,88,224	1,56,402
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	-	-
Total	15,88,224	1,56,402

8. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Audit Fees Payable	90,000	92,500
Rent Payable	-	1,39,133
Electricity Expenses Payable	56,626	52,071
Telephone & Mobile Expenses	-	788
Water Charges Payable	-	6,875
Professional Fees Payable	81,000	90,000
Expenses Payable	2,88,887	2,90,944
Advance from Customers	3,29,430	1,95,439
Total	8,45,943	8,67,700

9. SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits:		
- Salary and Reimbursements	34,17,289	21,69,784
- Statutory Bonus	3,74,708	-
- Contribution to ESIC and Provident Fund	1,39,181	1,23,486
Others:		
- Tax Deducted by Source Payable	12,23,858	13,21,092
- GST Payable	-	22,58,739
- Professional Tax Payable	5,496	5,284
- Provision for Income Tax	20,84,243	11,85,187
Total	72,44,775	70,63,572

10. FIXED ASSETS
(Amount in ₹)

Particulars	Gross Block				Rate of Depreciation	Depreciation/ Amorisation				Net Block	
	As at 01/04/2021	Additions	(Deductions)	As at 31/03/2022		As at 01/04/2021	For the year	(Deductions)	As at 31/03/2022	As at 01/04/2021	As at 31/03/2022
Land	17,90,732	-	-	17,90,732	0.00%	-	-	-	-	17,90,732	17,90,732
Building	2,08,34,523	-	-	2,08,34,523	3.17%	74,60,898	6,60,454	-	81,21,352	1,33,73,625	1,27,13,171
Plant & Machinery	45,54,111	18,45,157	-	63,99,268	6.33%	21,51,891	2,24,771	-	23,76,662	24,02,220	40,22,606
Electrification	25,96,872	3,21,354	-	29,18,226	9.50%	19,00,013	1,47,637	-	20,47,650	6,96,859	8,70,576
Office Equipment	28,03,957	3,61,925	-	31,65,882	19.00%	26,31,402	79,471	-	27,10,873	1,72,555	4,55,009
Computer & Accessories	20,99,007	5,63,677	-	26,62,684	31.67%	18,30,343	1,90,821	-	20,21,164	2,68,664	6,41,520
Testing Equipment	31,52,135	3,136	-23,36,361	8,18,910	6.33%	20,93,185	1,60,309	-15,98,851	6,54,643	10,58,950	1,64,267
Furniture & Fixtures	61,11,748	4,23,438	-	65,35,186	9.50%	53,59,548	2,17,089	-	55,76,637	7,52,200	9,58,549
Vehicles	33,82,304	-	-	33,82,304	11.88%	25,45,721	1,56,075	-	27,01,796	8,36,583	6,80,508
Tools	13,69,248	15,61,316	-	29,30,564	6.33%	7,29,973	1,59,435	-	8,89,408	6,39,275	20,41,156
Total	4,86,94,637	50,80,003		5,14,38,279		2,67,02,974	19,96,062		2,71,00,185	2,19,91,663	2,43,38,094

11. NON CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Investment in property	1,30,64,881	1,30,64,811
Investment in subsidiary		
- AIC-AARTECH SOLOINICS PVT LTD	1,00,000	1,00,000
- FARADIGM ULTRACAPACITORS PVT LTD	95,000	95,000
Investments in equity instruments:		
- 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
Investments in Fully Convertible Debenture:		
- Faradigm Ultracapacitors Private Limited	2,50,00,000	1,00,00,000
- AIC- Aartech Solonics Private Limited	2,00,00,000	2,00,00,000
Total	6,11,14,451	6,11,14,451

12. LONG TERM LOANS & ADVANCES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Loans & Advances to related parties (unsecured considered good)		
- AIC-AARTECH SOLOINICS PVT LTD	10,12,042	9,40,123
- FARADIGM ULTRACAPACITORS PVT LTD	-	30,07,639
Other Loans and Advances (Unsecured considered good)	6,02,23,302	5,63,83,302
Secured Deposits (Unsecured Considered Good)	47,49,176	31,92,386
Total	6,59,84,520	6,35,23,450

13. CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Investments in mutual funds (Instrument wise):		
- Aditya Birla Sunlife Equity Advantage Growth Fund	1,00,000	6,00,000
- Kotak Low Duration Fund Standard Growth	-	8,02,851
- Nippon India Ultra Short Duration Fund Growth Plan	3,94,48,685	46,75,319

- Aditya Birla Sunlife Low Duration Growth Plan	-	65,59,671
- Aditya Birla Sun Life Banking and Financial Services	5,38,082	5,38,082
- Aditya Birla Sun Life Dynamic Bund Fund Growth	-	5,00,000
- Aditya Birla Sun Life Flexi Cap Fund Growth Regular Plan	-	25,00,000
- Aditya Birla Sun Life India Gen Next Fund Growth	10,00,000	10,00,000
- Aditya Birla Sun Life MNC Fund Growth Plan	10,00,000	10,00,000
- Aditya Birla Sun Life Overnight Fund Growth Plan	1,194	1,194
- DSP Mid Cap Fund Regular Plan Growth	1,00,000	16,00,000
- HDFC Small Cap Fund Regular Plan	8,50,000	2,50,000
- HDFC Top 100 Fund Regular Plan Growth	9,48,129	3,48,129
- IDFC Bond Fund Medium Term Plan Growth	1,00,000	5,00,000
- IDFC Bond Fund Short Term Plan Growth	-	9,48,434
- IDFC Ultra Short Term Fund Regular Plan	1,00,000	-
- Invesco India Gilt Fund Growth Plan	1,00,000	1,00,000
- Kotak Balanced Advantage Fund Growth	9,29,592	9,29,592
- Kotak Emerging Equity Scheme Growth Regular Plan	8,50,000	3,00,000
- Kotak Equity Opportunities Fund Growth Regular Plan	3,00,000	9,50,000
- Kotak Pioneer Fund Growth Regular Plan	13,48,623	13,48,623
- Nippon India Banking & Financial Services Fund Growth Plan	18,24,893	9,80,087
- Nippon India CPSE ETF Fund	1,75,004	1,75,004
- Nippon India Growth Fund Growth Plan	-	15,22,701
- Nippon India Large Cap Fund Growth Plan	58,21,097	24,62,792
- Nippon India Multi Cap Fund Growth Plan	14,24,848	17,91,657
- Nippon India Overnight Fund Growth Plan	5,024	-
- Nippon India Short Term Fund Growth Plan	9,706	29,99,850
- Nippon India Small Cap Fund-Growth Plan	3,18,721	4,99,975
- Nippon India Value Fund Growth Plan	8,00,000	1,39,995
- Tata Banking & PSU Debt Fund Regular Plan Growth	-	5,83,848
- 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-I	-	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	5,02,597
- IDFC Balanced Advantage Fund Regular Plan Growth	3,21,000	3,21,000
- Nippon India Nifty Smallcap 250 Index Fund Growth Plan	-	7,79,317
- Nippon India Pharma Fund Growth Plan	4,83,290	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
- DSP Flexi Cap Fund Regular Plan Growth	15,64,210	-
- Tata Balances Advantage Fund Regular Plan Growth	5,95,783	-
- Nippon India Flexi Cap Fund Growth Plan	1,00,00,000	-
- Tata Resources & Energy Fund Regular Plan Growth	5,00,475	-
- Nippon India Multi Cap Fund Growth Plan (466218393367)	1,99,000	-
- Nippon India Ultra Short Duration Fund Growth Plan (466218393367)	4,77,136	-
- Nippon India Taiwan Equity Fund Growth Plan	45,00,000	-
- Nippon India Power & Infra Fund Regular Plan	6,00,000	-
Total	7,78,37,088	5,88,90,997

14. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Raw Materials and components	2,34,22,090	1,94,10,227
Work-in-progress	10,25,325	8,60,280
Finished Goods	30,708	10,608
Stock in trade	-	-
Total	2,44,78,123	2,02,81,115

15. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Outstanding for less than 6 months from the due date (Unsecured, considered good)	5,46,18,125	5,00,34,478
Outstanding for more than 6 months from the due date (Unsecured, considered good)	1,62,27,982	1,34,65,346
Total	7,08,46,107	6,34,99,824

15.1 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.

16. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Balances with banks:		
- Earmarked Balances	-	2,25,000
- Guarantees (refer note no. 16.1)	56,68,938	52,62,419
- Other Commitments (refer note no. 16.2)	45,94,688	41,98,127
Cash on hand	22,992	23,160
Others (refer note no. 16.3)	2,05,526	2,40,236
Total	1,04,92,144	99,48,942

16.1 Guarantees represent fixed deposits pledged with banks for bank guarantees.

16.2 Other commitments represent balances with banks.

16.3 Others represent imprest given to employees for incurring expenses.

17. SHORT TERM TOANS AND ADVANCES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Unsecured Loans and Advances: (Unsecured, considered good)		
Advance to Suppliers	34,95,853	13,85,967
Advance to Employees	16,79,485	66,26,961
Prepaid Expenses	3,30,364	3,19,071
Total	55,05,702	83,31,999

18. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Income Tax Refund Receivable AY 2020-21	2,22,279	3,04,218
TCS Receivable	-	7,228
Accrued Interest	65,25,120	32,70,715
GST Receivable	16,41,921	-
Total	83,89,320	35,82,161

19. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Sale of Products	15,21,94,724	10,19,19,357
Sale of Services	1,14,00,966	73,63,203
Total	16,35,95,690	10,92,82,561

20. OTHER INCOME

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
- Interest Income	41,90,285	51,60,240
- Rental Income	2,59,160	1,90,550
- Dividend Income	-	11,507
- Revenue Government Grant for DST Project- "Saur Stambh"	3,38,719	-
- Net gain/(- loss) on sale of investments	1,10,66,648	38,51,417
- Net gain on foreign currency transaction and translation	-	1,01,276
- Other non-operating income	86,995	1,22,744
- Profit on sale of Fixed Assets	22,56,363	-
Total	1,81,98,170	94,37,734

21. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Purchase of Raw Materials	11,06,04,323	4,96,54,441
Opening Balance of Raw Materials	1,94,10,227	2,42,60,922
Less: Closing Balance of Raw Materials	2,34,22,090	1,94,10,227
Total	10,65,92,460	5,45,05,136

22. CHANGE IN INVENTORIES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Finished goods:		
Opening Balance	10,608	47,765

Less: Closing Balance	30,708	10,608
	-20,100	37,157
Work-in-Progress:		
Opening Balance	8,60,280	39,85,235
Less: Closing Balance	10,25,325	8,60,280
	-1,65,045	31,24,955
Total	-1,85,145	31,62,112

23. EMPLOYEE BENEFIT EXPENSES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Salaries and Wages:		
- Directors Remuneration	41,52,348	41,45,942
- Staff Salary	1,92,26,991	2,02,71,358
- Salary relates to Recognised Research & Development Facility	9,52,553	9,51,074
- Statutory Bonus	7,48,302	-
Contribution to Provident Fund and Other Funds	9,38,203	8,68,360
Staff Welfare Expenses	11,40,754	9,77,861
Total	2,71,59,151	2,72,14,595

24. FINANCE COST

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Interest Expenses (Refer Note No. 24.1)	12,39,450	11,48,821
Other borrowing costs (Refer Note No. 24.2)	4,68,708	4,59,962
Total	17,08,158	16,08,783

24.1 Interest Expenses shown interest on CC/OD Account.

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

25. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Depreciation of tangible assets	19,96,062	21,05,459

Amortisation of intangible assets	-	-
Total	19,96,062	21,05,459

25.1 Refer note 10 for assets wise details of depreciation charge and note 1.10 for depreciation policy and rates of depreciation.

26. OTHER EXPENSES

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
Administrative Expenses		
Audit fees	1,00,000	1,00,000
Director Sitting Fees	90,000	1,20,000
Membership & Registration Fees	1,72,986	1,77,768
Insurance Expenses	1,96,645	1,39,591
Internet expenses	2,85,788	4,17,370
Legal Expenses	8,71,768	1,95,404
Professional & consultancy expenses	51,57,911	20,32,175
Electricity Expenses	74,146	85,143
Office Expenses	2,16,226	2,96,281
Petrol & Diesel	3,59,896	2,16,670
Postage & Courier Expenses	24,423	70,977
Printing & Stationery Expenses	1,30,097	54,641
Rates and taxes	61,208	12,92,789
Rent Office	18,00,000	18,00,000
Repairs & Maintenance	7,60,103	8,57,640
Vehicle Repairs & Maintenance	2,55,778	1,83,201
TCS ERP Solution	2,94,957	2,74,130
Security Expenses	1,28,135	1,48,031
Telephone & Mobile expenses	1,67,070	1,74,512
Water Charges	1,34,451	1,24,721
Miscellaneous administrative expenses	11,97,825	7,19,962
Total (A)	1,24,79,413	94,81,006
Manufacturing Expenses		
Power and Fuel	9,19,581	7,17,374
Rent Factory	3,67,075	3,04,971
Job Work Expenses	31,34,058	19,88,785
Site Development expenses	8,82,874	14,38,037
Repairs to machinery	2,99,942	33,348
Testing & Calibration Charges	3,02,980	5,56,075

MPIDC Annual Maintenance Charges	87,607	87,424
Labour Charges	7,71,605	-
Drawing & Design Charges	-	10,04,500
Miscellaneous manufacturing expenses	2,68,829	4,86,480
Total (B)	70,34,551	66,16,994
Selling and Marketing Expenses		
Advertisement and business promotion expenses	4,13,480	2,94,379
Sales Commission	16,86,025	11,66,097
Travelling Expenses	19,08,051	8,06,772
Late Delivery	11,09,080	40,001
Transportation Outward	20,84,753	14,10,492
Tender Fees	1,41,901	57,929
Other Selling Expenses	3,56,051	50,801
Total (C)	76,99,341	38,26,471
Research & Development Expenses		
Material Consumed	72,534	31,961
Travelling Expenses	22,258	-
Other Expenses	1,556	440
Total (D)	96,348	32,401
Loss due to Foreign Currency Fluctuation (E)	18,324	-
Total Other Expenses (A+B+C+D+E)	2,73,27,977	1,99,56,872

27. CURRENT TAX

Provision for current tax is made in the statement of profit and loss for the year ending March 31, 2022 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, 2022 (assessment year 2022 - 23), the income tax computed under the other provisions (provisions of the Income Tax Act other than Chapter XII-B) amounts to ₹ 33,44,161 and income tax computed under the provisions of chapter XII-B of Income Tax Act amounts to ₹ 28,70,224. The provision of ₹ 28,70,224 has been made after utilising MAT credit.

28. 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:

28.1 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	: ₹ 22,07,541
- Depreciation as per Companies Act, 2013	: ₹ 19,96,062
- Difference	: ₹ 2,11,479
- Deferred tax Expense/(Income)	: ₹ 54,985

28.2 Deferred tax impact on Unpaid bonus not deductible u/s 43B of Income Tax Act:

- Unpaid bonus not deductible u/s 43B of Income Tax Act	: ₹ 3,74,708
- Unpaid bonus paid during the year	: ₹ -
- Difference	: ₹ 3,74,708
- Deferred tax Expense/(Income)	: ₹ 97,424

28.3 Net deferred tax expense debited to statement of profit and loss for the period is ₹ 1,52,409

29. 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 st March 2022	As at 31 st March 2021
1 Salary to research staff (refer note 22)	9,52,553	9,51,074
2 Material purchased	72,534	86,693
3 Travelling expenses	22,258	54,631
4 Other Expenses	1,556	3,903
Total	10,48,901	10,96,301

30. DST PROJECT – “SAUR STAMBH”

The expenses incurred during the year for DST Saur Stambh Project are:

Particulars	(Amount in ₹)	
	As at 31 st March 2022	As at 31 st March 2021
(A) Capital Expenditure		
<i>Permanent Equipment</i>	-	-
<i>Fabricated system</i>	3,44,392	-
Total (A)	3,44,392	-
(B) Revenue Expenses		
<i>Manpower Expenses (Salary to staff)</i>	3,38,719	-
<i>Consumables</i>	-	-
<i>Travelling Expenses</i>	-	-
<i>Other Expenses</i>	-	-
Total (B)	3,38,719	-
Grand Total (A+B)	6,83,111	-

31. 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	Unsecured Loan	10,12,042
2	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Interest paid on Loan	79,910
3	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,00,00,000
4	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Interest on Debentures	17,00,000
5	AIC-Aartech Solonics Pvt Ltd	Subsidiary Company	Job Work Expenses	6,19,125
7	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Interest on Unsecured Loan	72,055
8	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,50,00,000
9	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Interest on Debentures	21,25,000
10	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Purchases	4,21,40,627
11	Faradigm Ultracapacitors Pvt Ltd	Subsidiary Company	Sales	11,27,933

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
1. Cash Flows from Operating Activities		
<i>Net Profit and Loss A/c (as per profit and loss account)</i>	1,41,72,564	83,82,857
Add: (A) Apportionment of Fund:		
<i>Provision for tax made during the year</i>	28,70,224	17,50,487
<i>Deferred Tax</i>	1,52,409	33,994
Net Profit before taxation and extra ordinary items	1,71,95,197	1,01,67,338
Add: (B) Non operating Expenses:		
<i>Depreciation during the year</i>	19,96,062	21,05,459
Sub Total	19,96,062	21,05,459
Less: (C) Non operating Income:		
<i>Interest Income (refer note 20)</i>	41,90,285	51,60,240
<i>Rental Income (refer note 20)</i>	2,59,160	1,90,550
<i>Dividend Income (refer note 20)</i>	-	11,507
<i>Net gain/(-loss) on sale of investments (refer note 20)</i>	1,10,66,648	38,51,418
<i>Other non-operating income (refer note 20)</i>	86,995	1,22,742
<i>Revenue Grant for DST Saur Stambh Project (refer note 20)</i>	3,38,719	-
<i>Profit on sale of Fixed Assets (refer note 20)</i>	22,56,363	-
Sub Total	1,81,98,170	93,36,457
(D) Operating Profit Before Working Capital Changes (A+B+C)	9,93,089	29,36,340
Add: (E) Increase in current liabilities and decrease in current assets:		
<i>Decrease in Inventory</i>	-	80,12,806
<i>Decrease in Account Receivable</i>	-	-
<i>Decrease in Short Term Loans and Advances</i>	28,26,297	10,85,910
<i>Decrease in Other Current Assets</i>	-	5,10,866
<i>Increase in Short term borrowings</i>	-	-
<i>Increase in Trade Payables</i>	2,68,65,299	-
<i>Increase in Short Term Provisions</i>	-	41,97,053
<i>Increase in Other Current Liabilities</i>	-	-
Sub Total	2,96,91,596	1,38,06,635
Less: (F) Increase in current assets and decrease in current liabilities:		
<i>Increase in Inventory</i>	41,97,008	-
<i>Increase in Account Receivable</i>	73,46,283	1,80,90,673
<i>Increase in Short Term Loans and Advances</i>	-	-
<i>Increase in Other Current Assets</i>	48,07,159	-
<i>Decrease in Short Term Borrowings</i>	22,37,827	86,03,028

<i>Decrease in Trade Payable</i>	-	27,31,163
<i>Decrease in Short Term Provisions</i>	7,17,853	-
<i>Decrease in Other Current Liabilities</i>	21,756	37,35,337
Sub Total	1,93,27,886	3,31,60,201
(G) Cash generated from Operations (D+E+F)	1,13,56,799	-1,64,17,226
(H) Income tax paid during the year:	18,79,514	5,65,300
(I) Net cash generated from operational activity (G-H)	94,77,285	-1,69,82,526
2. Cash Flows from Investing Activities		
(A) Net cash inflow from investment activity		
<i>Interest Income (refer note 20)</i>	41,90,285	51,60,240
<i>Rental Income (refer note 20)</i>	2,59,160	1,90,550
<i>Dividend Income (refer note 20)</i>	-	11,507
<i>Net gain/(-loss) on sale of investments (refer note 20)</i>	1,10,66,648	38,51,417
<i>Other non-operating income (refer note 20)</i>	86,995	1,22,743
<i>Revenue Grant for DST Saur Stambh Project (refer note 20)</i>	3,38,719	-
<i>Capital Grant for DST Saur Stambh Project</i>	21,47,449	-
<i>Proceeds from marketable securities</i>	4,11,66,323	5,60,62,218
<i>Proceeds from sale of fixed assets</i>	29,93,873	-
<i>Realisation of Long Term Loans & Advances</i>	-	2,68,06,068
<i>Realisation of security deposit</i>	-	4,93,332
Sub Total	6,22,49,452	9,26,98,075
(B) Net cash outflow from investment activity		
<i>Investment made in marketable securities during the year</i>	6,01,12,415	4,03,34,048
<i>Investment made in Subsidiary Company</i>	-	-
<i>Investment made in Debentures of Subsidiary Company</i>	-	3,19,20,000
<i>Investment made in Property</i>	-	-
<i>Long Term Loans & Advances</i>	9,04,280	-
<i>Purchase of new assets (net of sale proceeds)</i>	50,80,003	11,13,220
<i>Security deposit paid</i>	15,56,790	-
Sub Total	6,76,53,488	7,33,67,268
(C) Net cash generated from Investment activity (a-b)	-54,04,036	1,93,30,807
3. Cash Flows from Financing Activities		
(A) Net cash inflow from financing activity		
<i>Increase in long term borrowing</i>	-	-
<i>Proceeds from issue of equity shares</i>	-	-
Sub Total	-	-
(B) Net cash outflow from financing activity		
<i>Dividend Paid</i>	35,30,047	-
<i>Decrease in long term borrowing</i>	-	-
Sub Total	35,30,047	-
(C) Net cash generated from Financing activity (a-b)	-35,30,047	-

4. Net Increase/ (Decrease) in Cash (1+2+3)	5,43,202	23,48,281
Cash and cash equivalents at the beginning of the year	99,48,942	76,00,661
5. Cash and cash equivalents at the end of the year	1,04,92,144	99,48,942

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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 40th Annual General Meeting of the Company held on Friday, September 09, 2022 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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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 40th Annual General Meeting of the members of the company, to be held on the on Friday, September 09, 2022 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
	Ordinary Business:		
1.	a) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, 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, 2022, 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. 0.05/- per Equity Share] for the financial year ended 31 March, 2022		
3.	To appoint a director in place of Mrs. Arati Nath (DIN: 08741034), who retires by rotation and being eligible offer herself for re-appointment		

	Special Business:		
4.	Fixation of remuneration of Mr. Amit Anil Raje, Managing Director of the company		
5.	Fixation of remuneration of Mrs. Arati Nath, CEO & Director of the company		

Signed this ____ day of _____ 2022

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

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If undelivered please return to:

CIN: L31200MP1982PLC002030

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

Tel No +91 755 4276335, **E-mail id:** treddy@aartechsolonics.com

Website: www.aartechsolonics.com