



**SONAM CLOCK LIMITED**

**20<sup>TH</sup> ANNUAL REPORT**

**2020-21**

**SONAM CLOCK LIMITED**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

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

**CHIEF FINANCIAL OFFICER**

Mr. Amitbhai Jamnadas Vaghajiyani

**COMPANY SECRETARY  
AND COMPLIANCE OFFICER**

Mr. Milankumar Sureshbhai Ganatra

**STATUTORY AUDITORS**

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

**INTERNAL AUDITOR**

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

**SECRETARIAL AUDITOR**

M/s. R. V. Gandhi & Co.  
Practicing Company Secretaries,  
CP No. 7120

**REGISTERED OFFICE**

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

**CORPORATE IDENTITY NUMBER**

L33302GJ2001PLC039689

**Website**

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

**BANKERS**

Bank of India

**REGISTRAR AND SHARE TRANSFER  
AGENT**

BIG SHARE SERVICES PRIVATE LIMITED  
1<sup>st</sup> Floor, Bharat Tin works Building, Opp.  
Vasant oasis, Makwana Road, Marol,  
Andheri (East), Mumbai-400059  
Email Id: ipo@bigshareonline.com  
Investor Grievance Email:  
investor@bigshareonline.com

**CONTENT OF ANNUAL REPORT 2020-21**

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

## **SONAM CLOCK LIMITED**

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

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

CIN: L33302GJ2001PLC039689

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

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

### **NOTICE TO MEMBERS**

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the Members of SONAM CLOCK LIMITED (Formerly known as Sonam Clock Private Limited) will be held on Tuesday, 14<sup>th</sup> September, 2021 at 04:00 P.M. IST through video conferencing (“VC”) /Other Audio Visual Means (“OAVM”) to transact the following businesses:

#### **ORDINARY BUSINESS:**

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

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

To receive, consider and adopt the Audited Financial Statement for the financial year ended on March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon.

**“RESOLVED THAT** the Board’s Report with Annexure, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2021 and the Financial Statement as at that date together with the Independent Auditors’ Report thereon be and are hereby considered, approved and adopted.”

##### **ITEM NO. 2 TO APPOINT MR. HARSHIL JAYESHBHAI SHAH (DIN:07230243)AS A DIRECTOR OF THE COMPANY BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT:**

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

**“RESOLVED THAT** pursuant to Section 152 of the Companies Act 2013 and other applicable provisions, Mr. Harshil Jayeshbhai Shah (DIN: 07230243) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

## **SPECIAL BUSINESS:**

### **ITEM NO: 3: TO INCREASE REMUNERATION OF MR. HARSHIL JAYESHBHAI SHAH:**

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

**“RESOLVED THAT** pursuant to Sections 2(78), 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and rules made there under and subject to the provisions of Articles of Association of the Company, consent of members of the Company, be and is hereby accorded approval for increase of remuneration of Mr. Harshil Jayeshbhai Shah (DIN: 07230243) upto Rs. 10,00,000 (Rupees Ten Lakhs only) per month which includes all perquisites w.e.f. 01.10.2021, however director can draw lower remuneration than maximum looking to adequacy of profit and fund if any required for expansion of the business operations and to alter and vary the terms and conditions in such manner as may be agreed by and between the Board and Mr. Harshil Jayeshbhai Shah (DIN: 07230243), subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.”

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

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

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

#### **I. REMUNERATION:**

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

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

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

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

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

Date: 18.08.2021

Place: Lajai

By Order of the Board of Directors,  
SONAM CLOCK LIMITED

**Registered Office:**

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

Sd/-  
Milankumar S. Ganatra  
Company Secretary

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 20<sup>th</sup> AGM of the Company is being held through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020 and January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Notice of the AGM along with the Annual Report 2020-21 can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange Limited at [www.nseindia.com](http://www.nseindia.com) or Website of company at [www.sonamquartz.com](http://www.sonamquartz.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. The relevant details pursuant to regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed with the notice.
9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [csdharapatel@gmail.com](mailto:csdharapatel@gmail.com) (Scrutinizer), [cs@sonamquartz.com](mailto:cs@sonamquartz.com) (Company) and with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held by them in electronic form.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.sonamquartz.com](http://www.sonamquartz.com). Members are requested to submit the said details

to their Depository Participant in case the shares are held by them in electronic form.

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
14. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form.
16. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Wednesday, 8<sup>th</sup> September, 2021 to Tuesday, 14<sup>th</sup> September, 2021 (both days inclusive) in connection with the Annual General Meeting.
17. The Company or its Registrars and Transfer Agents, BIGSHARE SERVICES PRIVATE LIMITED cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.
19. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
20. Non-Resident Members: Non Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
  - a. Change in their residential status on return to India for permanent settlement
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier



21. The Company has fixed Tuesday, 7<sup>th</sup> September, 2021 as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote in the Meeting.
22. Ms. Dhara Patel, Company Secretary in Practice (M. No: 29198, COP No.:10979) has been appointed as a Scrutinizer to scrutinize the voting and process for the Annual General Meeting in a fair and transparent manner.
23. The Explanatory Statement, pursuant to section 102 of the companies Act, 2013 setting out facts concerning the business under Item no.3 attached with the notice.
24. All documents referred to in the notice and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11:00 a.m. and 4:00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 26. The Instructions for members for remote E-Voting are As under:-**

The remote e-voting period begins on Saturday, 11<sup>th</sup> September, 2021 at 09:00 A.M. and ends on Monday, 13<sup>th</sup> September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 7<sup>th</sup> September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 7<sup>th</sup> September, 2021.

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

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

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

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li data-bbox="651 282 1476 987">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>“IDeAS”</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="651 1021 1476 1234">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="651 1290 1476 1995">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.  
**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

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

	and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

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

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

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([cs@sonmaquartz.com](mailto:cs@sonmaquartz.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
2. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@sonamquartz.com). The same will be replied by the company suitably.



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

Name of Director	Harshil Jayeshbhai Shah
Date of Birth	29.11.1996
Age	23 year
Date of Appointment	30.06.2020
Expertise in specific Functional Areas	Having 3 years' experience in the field of Production and Design of various wall clocks
Qualifications	H.S.C.
Directors in other Public Companies	--
Other Positions	NIL
Membership of Committees in other unlisted Public Companies	Sonam Clock Limited -Nomination and remuneration Committee Member -Corporate Social Responsibility Committee Member
Inter Relationship	Relative (Son) of Jayeshbhai C. Shah and Deepaben J. Shah
Shares held in the Company as at 31 <sup>st</sup> March, 2021	100 Equity Shares (0.0001%)

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

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

**ITEM NO: 3: TO INCREASE REMUNERATION OF MR. HARSHIL JAYESHBHAI SHAH:**

Mr. Harshil Jayeshbhai Shah was appointed as additional director in SONAM CLOCK LIMITED w.e.f. 30<sup>th</sup> June, 2020 and confirmed as director w.e.f. 8<sup>th</sup> August,2020. Keeping in view that Mr. Harshil Jayeshbhai Shah having more than 3 years' experience in the field of Production and Design of various wall clocks and so the Board of Directors of the Company at their Meeting held on 18<sup>th</sup> August, 2021 had approved to increase in remuneration of Mr. Harshil Jayeshbhai Shah as set out in the Resolution subject to the approval of shareholders at the Annual General meeting.

Mr. Harshil Jayeshbhai Shah may deem to be concerned or interested, financially or otherwise, in respect of his remuneration. Mr. Jayeshbhai Chhabildas Shah, Managing Director and Mrs. Deepaben Jayeshbhai Shah, Whole time Director of the Company, are relatives of Mr. Harshil Jayeshbhai Shah to the extent of their shareholding interest in the Company.

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

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

**I. GENERAL INFORMATION**

1.	Nature of Industry	Wall Clock Industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	<b>Particulars</b>	<b>2020-21 (Rs. In Lacs)</b>	<b>2019-20 (Rs. In Lacs)</b>
		Total Income	7972.11	6036.76
		Profit Before Tax, Financial Cost and Depreciation	784.62	693.28
		Depreciation	134.40	120.06
		Finance Cost	197.67	171.57
		Profit Before Tax	449.92	401.65

		Tax	117.58	116.44
		Profit After Tax	332.34	285.21
		Equity Capital 1,00,08,000 Equity Share Capital	1000.8	1000.8
		Earnings per share (Rs.)	3.32	2.85
5.	Export performance based on given indicators.	<b>Particulars</b>	<b>2020-21 (Rs. In Lacs)</b>	<b>2019-20 (Rs. In Lacs)</b>
		Foreign Exchange Earning	1544.95	1681.02
		Foreign Exchange Outgo	--	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

## II. INFORMATION ABOUT THE APPOINTEE:

### 1. Background Details:

Mr. Harshil Jayeshbhai Shah has completed his higher secondary education. He has invested his efforts, dedication, Knowledge, and experience in the clock industry. He is one of the member promoter groups of the company. He has 3 years' experience in the clock industry. He is a visionary entrepreneur who is well versed with industry.

### 2. Recognition or awards:

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

### 3. Job Profile and his suitability:

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

### 4. Remuneration proposal:

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

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

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

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

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

### III. OTHER INFORMATION:

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

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

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

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

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

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

Mr. Jayeshbhai C. Shah, Mrs. Deepaben J. Shah and Mr. Harshil Jayeshbhai Shah are concerned or interested in the resolution.

The Board recommends the resolution set out at Item No. 3 of the notice for approval by the shareholders to be passed as a Special Resolution at Annual General meeting.

Date: 18.08.2021

Place: Lajai

By Order of the Board of Directors,  
SONAM CLOCK LIMITED

**Registered Office:**

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

Sd/-  
Milankumar S. Ganatra  
Company Secretary

## DIRECTORS' REPORT

To,  
The Members,  
SONAM CLOCK LIMITED

The Directors present the 20<sup>th</sup> Annual report of the Company along with the audited financial statements for the financial year ended March 31, 2021.

### **FINANCIAL PERFORMANCE:**

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

(Rs. In Lakhs)

Particulars	Standalone	
	Financial Year	Financial Year
	2020-21	2019-20
	(FY 2021)	(FY 2020)
Revenue from Operations	7961.75	5996.25
Other Income	10.36	40.52
<b>Total revenue</b>	<b>7972.11</b>	<b>6036.76</b>
Operating Profit (Before Finance Cost and Depreciation & Amortisation)	784.62	693.28
Less: Finance Cost	197.67	171.57
Profit before Depreciation & Amortisation	586.94	521.71
Less: Depreciation & Amortisation	134.40	120.06
Profit before Exceptional and Extraordinary item and Tax	<b>452.55</b>	<b>401.65</b>
Less: Prior Period Expenses	2.62	0
<b>Profit before Tax</b>	<b>449.92</b>	<b>401.65</b>
Less: Net Current Tax Expense pertaining to current year	99.06	102.08
Less/(Add): Tax Adjustments of earlier year	(1.72)	20.25
Less/(Add): Deferred Tax	20.23	(5.90)
<b>Profit after Tax</b>	<b>332.34</b>	<b>285.21</b>
Earning Per Share Before Exceptional & Extra-Ordinary Items (Basic & Dilluted) computed on the basis of profit from continuing operations	3.35	2.85
Earning Per Share Before Exceptional & Extra-Ordinary Items (Basic & Dilluted) computed on the basis of total profit for the year	3.35	2.85
Earning Per Share After Exceptional & Extra-Ordinary Items (Basic & Dilluted) computed on the basis of profit from continuing operations	3.32	2.85

Earning Per Share After Exceptional & Extra-Ordinary Items (Basic & Dilluted) computed on the basis of total profit for the year	3.32	2.85
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**DIVIDEND:**

In order to conserve the reserve, your directors do not recommend any dividend for the financial year ended, 31<sup>st</sup> March, 2021.

**UNPAID DIVIDEND:**

The Total unpaid amount of dividend is Rs. 27000 including Rs.6000 Interim dividend declared on 14<sup>th</sup> November,2018. The details of unclaimed dividend available on the website of the company at [www.sonamquartz.com](http://www.sonamquartz.com).

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

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

**TRANSFER TO RESERVE & SURPLUS:**

The net profit of the company for F.Y. 2020-21 is Rs. 332.34 Lakhs. The profit of F.Y. 2020-21 has been transferred to the surplus account.

**COMPANY'S PERFORMANCE REVEIW:**

The revenue from operations for FY 2020-21 was Rs. 7961.75 Lakhs over the previous year's revenue from operations of Rs. 5996.24 Lakhs which is 32.77% more than previous year revenue from operations.

Net Profit after tax for FY 2020-21 was Rs. 332.34 Lakhs against the previous year's Net Profit after tax of Rs. 285.21 Lakhs.

Earnings per Share for FY 2020-21 were Rs. 3.32 against the previous year's Earnings per Share of Rs. 2.85.

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

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

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

The outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The company is into the business of "Manufacturing & Sale of Horological items, Clocks, Clock Movements and related items". The company has evaluated impact of this pandemic on its business operations. Based on the review and current indicators of future economic conditions, as on current date, the Company has concluded that the impact of Covid-19 is not material based on these estimates. Due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

## **SHARE CAPITAL:**

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

## **LISTING INFORMATION:**

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

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

The Company Equity Shares is listed at National Stock Exchange Limited (SME segment). The Annual Listing fee for the year 2021-22 has been paid.

## **DEPOSITS FROM PUBLIC:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet as per section 73 and 76 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

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

The Company has not given any loans, guarantees or made investment covered under the provisions of section 186 of the Companies Act, 2013 during the year 2020-21.

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

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

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

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

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

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

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

M/s. D. V. Bakrania & Associates (FRN:127116W) is the internal auditor of the Company for the F.Y. 2020-21 who conducts Internal audit and submit reports to the Audit Committee. The Internal Audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The Audit Committee reviews the effectiveness of the Company's internal control system.

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

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

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

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



Sr. No.	Particulars	Comments						
<b>(A)</b>	<b>Conservation of energy</b>							
(i)	the steps taken or impact on conservation of energy;	<p>Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies.</p> <table border="1" data-bbox="898 663 1450 940"> <thead> <tr> <th data-bbox="898 663 1175 779">Particulars</th> <th data-bbox="1175 663 1450 779">F.Y. 2020-21 (Amount in Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="898 779 1175 856">Consumption of Diesel / Gas</td> <td data-bbox="1175 779 1450 856">4,51,762</td> </tr> <tr> <td data-bbox="898 856 1175 940">Consumption of Electricity</td> <td data-bbox="1175 856 1450 940">63,98,398</td> </tr> </tbody> </table>	Particulars	F.Y. 2020-21 (Amount in Rs.)	Consumption of Diesel / Gas	4,51,762	Consumption of Electricity	63,98,398
Particulars	F.Y. 2020-21 (Amount in Rs.)							
Consumption of Diesel / Gas	4,51,762							
Consumption of Electricity	63,98,398							
(ii)	the steps taken by the Company for utilizing alternate sources of energy;	Nil						
(iii)	the capital investment on energy conservation equipment	Nil						
<b>(B)</b>	<b>Technology absorption</b>							
(i)	the efforts made towards technology absorption	<p>Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale. Innovation and focus of continuously launching a new offering drive differentiation and creating value has become a norm for the Industry, Thus a robust focus on developing new features and technology solutions to capture the consumer's imagination and fuel the desire for enhanced experiences continues to be critical for Organizations.</p>						

(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year :		
	(a) the details of technology imported	Nil	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	Nil	
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	<b>Inflow (In Rs.)</b>	<b>Out Flow (In Rs.)</b>
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	15,44,95,749 Earning in sale of goods	--

#### **INDUSTRIAL RELATION:**

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

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

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

Ms. Rutvi Jayeshbhai Shah resigned as director w.e.f. June 30, 2020.

Mr. Harshil Jayeshbhai Shah was appointed as additional Non-executive director w.e.f. June 30, 2020 and confirmed as Non-executive director w.e.f. August 08, 2020.

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

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

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

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

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

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

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

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

**NUMBER OF BOARD MEETINGS AND ATTENDANCE:**

During the Financial year 2020-21, Fifteen (15) board meetings were held. These were held on April 01, 2020, April 16, 2020, May 13, 2020, May 14, 2020, June 01, 2020, June 30, 2020, July 13, 2020, July 16, 2020, July 20, 2020, July 28, 2020, October 16, 2020, October 30, 2020, November, 12, 2020, February 10, 2021 and March 15, 2021. The interval between any two meetings was well within the maximum allowed gap of 120 days.

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

Name of the director	Category	No. of Board Meetings Held & Entitled to Attend	No. of Board Meetings Attended
Mr. Jayeshbhai Chhabildas Shah	Chairman & Managing Director	15	15
Mrs. Deepaben Jayeshbhai Shah	Whole-time Director	15	15
Ms. Rutvi Jayeshbhai Shah*	Non-executive Director	5	5
Mr. Shreyansh Vijaybhai Vora	Independent Director	15	8
Mr. Jigar Dipakbhai Mehta	Independent Director	15	5

Mr. Harshil Jayeshbhai Shah**	Non-executive Director	9	9
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\*Ms. Rutvi Jayeshbhai Shah resigned as director w.e.f. June 30, 2020.

\*\*Mr. Harshil Jayeshbhai Shah was appointed as additional Non-executive director w.e.f. June 30, 2020 and confirmed as Non-executive director w.e.f. August 08, 2020.

### **COMMITTEES OF THE BOARD:**

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, currently, your Board has four (4) Committees viz., Audit Committee, Remuneration & Nomination Committee, Stakeholder Relationship Committee, Corporate Social responsibly committee look into various aspects for which they have been constituted. The Board fixes the terms of reference of Committees and also delegate powers from time to time.

### **AUDIT COMMITTEE:**

The Audit Committee comprises of non-executive Independent Director and Director as its Member. The Chairman of the committee is Independent Director.

During the Financial year 2020-21, Eight (8) meeting of audit committee held on May 13, 2020; May 14, 2020; June 01, 2020; June 30, 2020; July 16, 2020; October 16, 2020; November 12,2020 and February 10, 2021.

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

Sr. No.	Name of the Director	Status in Committee Nature	Nature of Directorship	No of Meetings Held & Entitled to Attend	No of Meetings attended
1	Mr. Shreyansh Vijaybhai Vora	Chairman of committee	Non-Executive and Independent Director	8	8
2	Mr. Jigar Dipakbhai Mehta	Member	Non-Executive and Independent Director	8	8
3	Mr. Jayeshbhai Chhabildas Shah	Member	Managing Director	8	8

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

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

**NOMINATION AND REMUNERATION COMMITTEE:**

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

During the Financial year 2020-21, Two meeting of the Nomination and Remuneration Committee met on June 28, 2020 and July 16, 2020.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status in Committee Nature</b>	<b>Nature of Directorship</b>	<b>No of Meetings Held &amp; Entitled to Attend</b>	<b>No of Meetings attend ed</b>
1	Mr. Shreyansh Vijaybhai Vora	Chairman of committee	Non-Executive and Independent Director	2	2
2	Mr. Jigar Dipakbhai Mehta	Member	Non-Executive and Independent Director	2	2
3	Ms. Rutvi Jayeshbhai Shah	Member	Non-Executive Director	1	1
4	Mr. Harshil Jayeshbhai Shah	Member	Non-Executive Director	1	1

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

**STAKEHOLDER RELATIONSHIP COMMITTEE**

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

During the Financial year 2020-21, four (4) meeting of Stakeholder Relationship Committee were held on May 13, 2020, July 28, 2020, October 16, 2020 and February 10, 2021.

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

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status in Committee Nature</b>	<b>Nature of Directorship</b>	<b>No. of Meetings Held &amp; Entitled to Attend</b>	<b>No. of Meetings attended</b>
1	Mr. Shreyansh Vijaybhai Vora	Chairman of committee	Non-Executive and Independent Director	4	4
2	Mr. Jigar Dipakbhai Mehta	Member	Non-Executive and Independent Director	4	4
3	Mrs. Deepaben Jayeshbhai Shah	Member	Wholetime Director	4	4

**CORPORATE SOCIAL RESPONSIBLY COMMITTEE:**

The Corporate Social Responsibility committee comprises non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2020-21, One (1) meeting of Corporate Social Responsibility Committee was held on February 10, 2021.

The Composition of Corporate Social Responsibility Committee and the details of meetings attended by the members during the year are given below:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status in Committee Nature</b>	<b>Nature of Directorship</b>	<b>No. of Meetings Held &amp; Entitled to Attend</b>	<b>No. of Meetings attended</b>
1	Mr. Shreyansh Vijaybhai Vora	Chairman of committee	Non-Executive and Independent Director	1	1
2	Mr. Jigar Dipakbhai Mehta	Member	Non-Executive and Independent Director	1	1
3	Mr. Harshil Jayeshbhai Shah	Member	Non-Executive and Director	1	1

## **EXTRACTS OF ANNUAL RETURN:**

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

## **CORPORATE GOVERNANCE REPORT:**

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

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

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2020-21.

## **AUDITORS:**

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

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

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

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. R. V. Gandhi & Co. (CP. No. 7120), Practicing Company Secretary, Ahmadabad as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2020-21.

A Secretarial Audit Report for the Financial Year 2020-21 is annexed herewith as Annexure-II in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

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

The Board of directors has appointed M/s. D. V. Bakrania & Associates., Chartered Accountant as the internal auditor of the company on the recommendations of the Audit Committee for F.Y. 2020-21; The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

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

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

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

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. SVK & Associates, (FRN: 118564W), Chartered Accountants, Ahmedabad, in the Auditor's report and by Secretarial Auditors M/s. R. V. Gandhi & Co., Ahmedabad, Practicing Company Secretary, in their Secretarial Audit Report for the Financial Year ended March 31, 2021.

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

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

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

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

### **DEMATERIALISATION OF SHARES:**

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



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

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2020-21. The remuneration and Sitting fees paid to Directors mentioned in Extract of Annual return.

### **RELATED PARTY TRANSACTIONS:**

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

### **CREDIT RATING:**

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

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

During the year under review, the Independent Directors met on February 10, 2021 inter alia, to discuss:

1. Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
2. Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
3. Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

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

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under section 149(6) of the Companies Act, 2013.

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

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended March 31, 2021.

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

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

## **POLICIES OF THE COMPANY:**

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

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

The committee must ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

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

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on Materiality of Related Party Transaction has been available on the website of the Company [www.sonamquartz.com](http://www.sonamquartz.com).

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

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

### **PREVENTION OF INSIDER TRADING:**

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

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

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

### **BUSINESS RISK MANAGEMENT:**

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

### **CORPORATE SOCIAL RESPONSIBILITY:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure V of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy of Corporate Social Responsibility is made available on the website of the company at [www.sonamquartz.com](http://www.sonamquartz.com).

### **VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:**

Your Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism has been available on the website of the Company at [www.sonamquartz.com](http://www.sonamquartz.com).

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

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

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

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

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

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

### **DISCLOSURES BY DIRECTORS:**

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

### **DISQUALIFICATIONS OF DIRECTORS:**

During the financial year 2020-21 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

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

**SECRETARIAL STANDARD:**

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

**OTHER REGULATORY REQUIREMENT:**

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

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

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

actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2020-21.

**INVESTOR GRIEVANCES REDRESSAL STATUS:**

During the Financial Year 2020-21, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at [cs@sonamquartz.com](mailto:cs@sonamquartz.com).

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

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

**ACKNOWLEDGEMENT:**

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

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

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

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

Date: 18.08.2021

Place: Lajai

For and on behalf of the Board,  
SONAM CLOCK LIMITED

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

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

**Annexure I to Boards Report**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on**  
**31<sup>st</sup> March, 2021**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L33302GJ2001PLC039689
ii) Registration Date	21/06/2001
iii) Name of the Company	SONAM CLOCK LIMITED
iv) Category/Sub-Category of the Company	Company Limited by Shares
v) Address of registered Office and Contact Details	Survey No. 337/p, Morbi Rajkot Highway, Lajai, Tal. Tankara, Dist. Morbi-363641
vi) Whether Listed Company	YES
vii) Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri( East), Mumbai-400059 Tel. : +91-022-62638200 Fax : +91-022-62638299 Email: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of watches and clocks	NIC- 2652	100%

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

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY ASSOCIATE /
-----NIL-----			

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**i) Category-wise Share Holding**

	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
	<b>(A) Shareholding of Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
a)	INDIVIDUAL / HUF	6887200	0	6887200	68.82	6887200	0	6887200	68.82	0.00
b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)									
1	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	DIRECTORS RELATIVES	480800	0	480800	4.80	531700	0	531700	5.31	0.51
	<b>SUB TOTAL :</b>	<b>7368000</b>	<b>0</b>	<b>7368000</b>	<b>73.62</b>	<b>7418900</b>	<b>0</b>	<b>7418900</b>	<b>74.13</b>	<b>0.51</b>
<b>(A) Shareholding of Promoter and Promoter Group</b>										
<b>2</b>	<b>Foreign</b>									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Public Shareholding</b>	<b>7368000</b>	<b>0</b>	<b>7368000</b>	<b>73.62</b>	<b>7418900</b>	<b>0</b>	<b>7418900</b>	<b>74.13</b>	<b>0.51</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>4</b>	<b>Institutions</b>									
a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00



	s)									
b)	FINANCIAL INSTITUTIONS / BANKS	227000	0	227000	2.27	0	0	0	0.00	(2.27)
c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>227000</b>	<b>0</b>	<b>227000</b>	<b>2.27</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>(2.27)</b>
	<b>(B) Public shareholding</b>									
<b>5</b>	<b>Non-institutions</b>									
a)	BODIES CORPORATE	156000	0	156000	1.56	0	0	0	0.00	(1.56)
b)	INDIVIDUAL									
1	(CAPITAL UPTO TO Rs. 1 Lakh)	324000	0	324000	3.24	297100	0	297100	2.97	(0.27)
2	(CAPITAL GREATER THAN Rs. 1 Lakh)	1599000	0	1599000	15.98	1527000	0	1527000	15.26	(0.72)
c)	ANY OTHERS (Specify)									
1	HINDU UNDIVIDED FAMILY	99000	0	99000	0.99	225000	0	225000	2.25	1.26
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	CLEARING MEMBER	232000	0	232000	2.32	537000	0	537000	5.37	3.05
4	NON RESIDENT INDIANS (NRI)	3000	0	3000	0.03	3000	0	3000	0.03	0.00

5	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
6	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
7	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
8	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>2413000</b>	<b>0</b>	<b>2413000</b>	<b>24.11</b>	<b>2589100</b>	<b>0</b>	<b>2589100</b>	<b>25.87</b>	<b>1.76</b>
	<b>Total Public Shareholding</b>	<b>2640000</b>	<b>0</b>	<b>2640000</b>	<b>26.38</b>	<b>2589100</b>	<b>0</b>	<b>2589100</b>	<b>25.87</b>	<b>(0.51)</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										
6										
e)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
9	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
10	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Public Shareholding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>GRAND TOTAL</b>	<b>10008000</b>	<b>0</b>	<b>10008000</b>	<b>100.00</b>	<b>10008000</b>	<b>0</b>	<b>10008000</b>	<b>100.00</b>	<b>0.00</b>

**ii.) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:**

SL No	Shareholder's Name	Shareholding at beginning of the year 01/04/2020			Shareholding at the end of the year 31/03/2021			
		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	% Change
1	Harshil Jayeshbhai Shah	100	0.0010	0.0000	100	0.0010	0.0000	0.0000
2	Jatin Shhsikant Movani	100	0.0010	0.0000	51000	0.5096	0.0000	0.5086
3	Amitbhai Jamnadas Vaghajiyani	100	0.0010	0.0000	100	0.0010	0.0000	0.0000
4	Samir Champaklal Doshi	100	0.0010	0.0000	100	0.0010	0.0000	0.0000
5	Deepaben Jayeshbhai Shah	480000	4.7962	0.0000	480000	4.7962	0.0000	0.0000
6	Jayesh Chhabildas Shah (HUF)	480400	4.8002	0.0000	480400	4.8002	0.0000	0.0000
7	Jayeshbhai Chhabildas Shah	6407200	64.0208	0.0000	6407200	64.0208	0.0000	0.0000
<b>TOTAL</b>		<b>7368000</b>	<b>73.6212</b>		<b>7418900</b>	<b>74.1298</b>		<b>0.5086</b>

**iii.) CHANGE IN PROMOTER AND PROMOTER GROUP SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>7368000</b>	<b>73.6212</b>	<b>7368000</b>	<b>73.6212</b>
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>#There is change in Promoters and Promoter Group Shareholding during the financial year 2020-21.</b>			
	At the end of the year	<b>7418900</b>	<b>74.1298</b>	<b>7418900</b>	<b>74.1298</b>

**# CHANGE IN PROMOTER'S SHAREHOLDING:**

SR NO.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2020)/ end of the year (31/03/2021)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	JAYESHBHAI CHHABILDAS SHAH	6407200	64.02	01-April-2020			6407200	64.02
			53.38	07-Aug-2020	-1,065,000	Sell	5342200	53.38
			64.02	04-Sep-2020	1,065,000	Buy	6407200	64.02
		6407200	64.02	31-Mar-2021			6407200	64.02
2	JAYESH CHHABILDAS SHAH HUF	480400	4.80	01-April-2020			480400	4.80
			3.75	07-Aug-2020	-105,000	Sell	375400	3.75
			4.80	04-Sep-2020	105,000	Buy	480400	4.80
		480400	4.80	31-Mar-2021			480400	4.80
3	DEEPABEN JAYESHBHAI SHAH	480000	4.80	01-April-2020			480000	4.80
		480000	4.80	31-Mar-2021			480000	4.80

4	JATIN SHAHSIKANT MOVANI	100	0.00	01-April-2020			100	0.00
			0.00	28-Aug-2020	-100	Sell	0	0.00
			0.09	04-Sep-2020	9,000	Buy	9000	0.09
			0.51	11-Sep-2020	42,000	Buy	51000	0.51
		51000	0.51	31-Mar-2021			51000	0.51
5	HARSHIL JAYESHBHAI SHAH	100	0.00	01-April-2020			100	0.00
		100	0.00	31-Mar-2021			100	0.00
6	SAMIR CHAMPAKLAL DOSHI	100	0.00	01-April-2020			100	0.00
			0.00	30-Nov-2020	-100	Sell	0	0.00
			0.00	04-Dec-2020	100	Buy	100	0.00
			0.00	19-Feb-2021	-100	Sell	0	0.00
			0.00	26-Mar-2021	100	Buy	100	0.00
		100	0.00	31-Mar-2021			100	0.00
7	AMITBHAI JAMNADAS VAGHAJIYANI	100	0.00	01-April-2020			100	0.00
		100	0.00	31-Mar-2021			100	0.00

**iv.) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

SR NO	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2020) / end of the year (31/03/2021)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	ARCADIA SHARE AND STOCK BROKERS PVT LTD- PROPRIETARY A/C	133000	1.33	01-Apr-2020	0		133000	1.33
			3.60	03-Apr-2020	227000	Buy	360000	3.60
			3.90	12-Jun-2020	30000	Buy	390000	3.90
			4.05	19-Jun-2020	15000	Buy	405000	4.05
		405000	4.05	31-Mar-2021	0		405000	4.05

2	GULSHAN KISHORECH AND BANSAL	261000	2.61	01-Apr-2020	0		261000	2.61
			2.49	04-Sep-2020	-12000	Sell	249000	2.49
			2.40	11-Sep-2020	-9000	Sell	240000	2.40
			1.89	18-Sep-2020	-51000	Sell	189000	1.89
			1.71	09-Oct-2020	-18000	Sell	171000	1.71
			1.68	30-Oct-2020	-3000	Sell	168000	1.68
			1.47	06-Nov-2020	-21000	Sell	147000	1.47
			1.41	13-Nov-2020	-6000	Sell	141000	1.41
			1.05	20-Nov-2020	-36000	Sell	105000	1.05
			0.87	04-Dec-2020	-18000	Sell	87000	0.87
			0.63	11-Dec-2020	-24000	Sell	63000	0.63
			0.45	18-Dec-2020	-18000	Sell	45000	0.45
			0.00	25-Dec-2020	-45000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
3	ICICI BANK LIMITED	227000	2.27	01-Apr-2020	0		227000	2.27
			0.00	03-Apr-2020	-227000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
4	LAGAN BARTER PRIVATE LIMITED	156000	1.56	01-Apr-2020	0		156000	1.56
			0.96	10-Jul-2020	-60000	Sell	96000	0.96
			0.00	17-Jul-2020	-96000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
5	MANOJBHA NAGINDAS SHETH	138000	1.38	01-Apr-2020	0		138000	1.38
			1.05	05-Jun-2020	-33000	Sell	105000	1.05
			0.90	19-Jun-2020	-15000	Sell	90000	0.90
			0.66	30-Jun-2020	-24000	Sell	66000	0.66
			0.60	10-Jul-2020	-6000	Sell	60000	0.60
			0.36	17-Jul-2020	-24000	Sell	36000	0.36
			0.00	24-Jul-2020	-36000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
6	KISHORECH AND KAKARAM BANSAL	135000	1.35	01-Apr-2020	0		135000	1.35
			1.32	04-Sep-2020	-3000	Sell	132000	1.32
			1.29	11-Sep-2020	-3000	Sell	129000	1.29

			1.05	18-Sep-2020	-24000	Sell	105000	1.05
			0.99	09-Oct-2020	-6000	Sell	99000	0.99
			0.90	06-Nov-2020	-9000	Sell	90000	0.90
			0.87	20-Nov-2020	-3000	Sell	87000	0.87
			0.60	25-Dec-2020	-27000	Sell	60000	0.60
			0.00	31-Dec-2020	-60000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
7	SKSE SECURITIES LTD- CLIENT COLLATERA L ACCOUNT	99000	0.99	01-Apr-2020	0		99000	0.99
			0.00	08-May-2020	-99000	Sell	0	0.00
			0.03	29-May-2020	3000	Buy	3000	0.03
			0.33	05-Jun-2020	30000	Buy	33000	0.33
			0.00	12-Jun-2020	-33000	Sell	0	0.00
			0.24	30-Jun-2020	24000	Buy	24000	0.24
			0.57	03-Jul-2020	33000	Buy	57000	0.57
			0.45	10-Jul-2020	-12000	Sell	45000	0.45
			1.17	17-Jul-2020	72000	Buy	117000	1.17
			1.23	31-Jul-2020	6000	Buy	123000	1.23
			12.86	07-Aug-2020	1164000	Buy	128700 0	12.86
			13.07	21-Aug-2020	21000	Buy	130800 0	13.07
			13.04	28-Aug-2020	-3000	Sell	130500 0	13.04
			1.35	04-Sep-2020	-1170000	Sell	135000	1.35
			1.38	11-Sep-2020	3000	Buy	138000	1.38
			1.95	09-Oct-2020	57000	Buy	195000	1.95
			2.04	16-Oct-2020	9000	Buy	204000	2.04
			2.07	30-Oct-2020	3000	Buy	207000	2.07
			2.22	13-Nov-2020	15000	Buy	222000	2.22
			2.13	20-Nov-2020	-9000	Sell	213000	2.13
			2.19	04-Dec-2020	6000	Buy	219000	2.19
			2.31	11-Dec-2020	12000	Buy	231000	2.31
			2.70	18-Dec-2020	39000	Buy	270000	2.70
			3.06	25-Dec-2020	36000	Buy	306000	3.06
			2.70	31-Dec-2020	-36000	Sell	270000	2.70
			2.76	08-Jan-2021	6000	Buy	276000	2.76
			1.77	22-Jan-2021	-99000	Sell	177000	1.77
			1.44	29-Jan-2021	-33000	Sell	144000	1.44
			1.29	12-Mar-2021	-15000	Sell	129000	1.29
		129000	1.29	31-Mar-2021	0		129000	1.29

8	NILESHKU MAR SURYAKA NTBHAI GHOGHA NI	15000	0.15	01-Apr-2020	0		15000	0.15
			0.24	03-Jul-2020	9000	Buy	24000	0.24
			0.33	10-Jul-2020	9000	Buy	33000	0.33
			0.63	17-Jul-2020	30000	Buy	63000	0.63
			1.02	24-Jul-2020	39000	Buy	102000	1.02
			1.05	28-Aug-2020	3000	Buy	105000	1.05
		105000	1.05	31-Mar-2021	0		105000	1.05
9	PUNAMB EN NILESHKU MAR GHOGHA NI	15000	0.15	01-Apr-2020	0		15000	0.15
			0.21	03-Jul-2020	6000	Buy	21000	0.21
			0.30	10-Jul-2020	9000	Buy	30000	0.30
			0.60	17-Jul-2020	30000	Buy	60000	0.60
			0.99	24-Jul-2020	39000	Buy	99000	0.99
			1.02	28-Aug-2020	3000	Buy	102000	1.02
		102000	1.02	31-Mar-2021	0		102000	1.02
10	KAUSHIK SHASHIKA NT MOVANI	87000	0.87	01-Apr-2020	0		87000	0.87
			0.51	17-Jul-2020	-36000	Sell	51000	0.51
			0.24	24-Jul-2020	-27000	Sell	24000	0.24
		24000	0.24	31-Mar-2021	0		24000	0.24
11	MEHUL MULVAN TRAI SHAH	84000	0.84	01-Apr-2020	0		84000	0.84
		84000	0.84	31-Mar-2021	0		84000	0.84
12	KIRAN KAMLESH ZATAKIA	0	0.00	01-Apr-2020				0.00
			0.69	22-Jan-2021	69000	Buy	69000	0.69
			0.75	29-Jan-2021	6000	Buy	75000	0.75
		75000	0.75	31-Mar-2021	0		75000	0.75
13	RACHANA BEN JATIN MOVANI	72000	0.72	01-Apr-2020	0		72000	0.72
			0.42	03-Jul-2020	-30000	Sell	42000	0.42

			0.33	17-Jul-2020	-9000	Sell	33000	0.33
			0.27	24-Jul-2020	-6000	Sell	27000	0.27
		27000	0.27	31-Mar-2021	0		27000	0.27
14	DHARMIL KALPESH BHAI GHOGHA NI	0	0.00	01-Apr-2020				0.00
			0.15	20-Nov-2020	15000	Buy	15000	0.15
			0.48	31-Dec-2020	33000	Buy	48000	0.48
			0.60	08-Jan-2021	12000	Buy	60000	0.60
			0.69	29-Jan-2021	9000	Buy	69000	0.69
		69000	0.69	31-Mar-2021	0		69000	0.69
15	HARSHAL NILESHBH AI GHOGHA NI	0	0.00	01-Apr-2020				0.00
			0.15	20-Nov-2020	15000	Buy	15000	0.15
			0.48	31-Dec-2020	33000	Buy	48000	0.48
			0.60	08-Jan-2021	12000	Buy	60000	0.60
			0.69	29-Jan-2021	9000	Buy	69000	0.69
		69000	0.69	31-Mar-2021	0		69000	0.69
16	PRIMA NILESHBH AI GHOGHA NI	0	0.00	01-Apr-2020				0.00
			0.15	20-Nov-2020	15000	Buy	15000	0.15
			0.48	31-Dec-2020	33000	Buy	48000	0.48
			0.60	08-Jan-2021	12000	Buy	60000	0.60
			0.69	29-Jan-2021	9000	Buy	69000	0.69
		69000	0.69	31-Mar-2021	0		69000	0.69
17	VIMAL MULVAN TRAI SHAH	15000	0.15	01-Apr-2020	0		15000	0.15
			0.60	17-Jul-2020	45000	Buy	60000	0.60
		60000	0.60	31-Mar-2021	0		60000	0.60
18	ATUL MULJIBH AI PADIA (HUF)	24000	0.24	01-Apr-2020	0		24000	0.24
			0.27	03-Jul-2020	3000	Buy	27000	0.27
			0.42	10-Jul-2020	15000	Buy	42000	0.42
			0.60	17-Jul-2020	18000	Buy	60000	0.60
		60000	0.60	31-Mar-2021	0		60000	0.60



**v.) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No	Promoter's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Jayeshbhai Chhabildas Shah	6407200	64.0208	--	6407200	64.0208	--	--
2	Deepaben Jayeshbhai Shah	480000	4.7962	--	480000	4.7962	--	--
5	Rutvi jayeshbhai Shah*	100	0.0010	--	100	0.0010	--	--
3	Harshil Jayeshbhai Shah**	100	0.0010	--	100	0.0010	--	--
4	Amitbhai Jamnadas Vaghajiyani	100	0.0010	--	100	0.0010	--	--

\*Ms. Rutvi Jayeshbhai Shah resigned as director w.e.f. June 30, 2020.

\*\*Mr. Harshil Jayeshbhai Shah was appointed as additional Non-executive director w.e.f. June 30, 2020 and confirmed as Non-executive director w.e.f. August 08, 2020.

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	236,256,416	2,900,000	-	239,156,416
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>236,256,416</b>	<b>2,900,000</b>	<b>-</b>	<b>239,156,416</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	37,632,076	15,700,000	-	53,332,076
Reduction	-	-	-	-
<b>Net Change</b>	<b>37,632,076</b>	<b>15,700,000</b>	<b>-</b>	<b>53,332,076</b>

Indebtedness at the end of the financial year				
i) Principal Amount	273,888,492	18,600,000	-	292,488,492
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>273,888,492</b>	<b>18,600,000</b>	<b>-</b>	<b>292,488,492</b>

*\*Secured Loans includes current maturities of long-term borrowings.*

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER (Amount in Rs.)

Sr. No.	Particulars of Remuneration	NAME		Total Amount
		Jayeshbhai Chhabildas Shah	Deepaben Jayeshbhai Shah	
		Managing Director	Wholetime Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	--
	(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, Contribution to Provident Fund	---	---	---
	Total (A)			

Overall Ceiling as Per the Act	The Managerial remuneration is within the ceiling limits as per the Act/Approved by the shareholders of the Company.
--------------------------------	--

**B. REMUNERATION TO OTHER DIRECTORS (Amount in Rs.)**

SI. NO.	PARTICULARS OF REMUNERATION	FEE FOR ATTENDING BOARD / COMMITTEE MEETINGS	COMMISSION	OTHERS, PLEASE SPECIFY (Remuneration)	TOTAL AMOUNT
<b>1</b>	<b>Independent Directors</b>				
1	Shreyansh Vijaybhai Vora	12000	-	-	12000
2	Jigar Dipakbhai Mehta	12000	-	-	12000
	<b>Total (1)</b>	<b>24000</b>	<b>-</b>	<b>-</b>	<b>24000</b>
<b>2</b>	<b>Other Non-Executive Directors</b>				
1	Rutvi Jayeshbhai Shah *	-	-	150000	150000
2	Harshil Jayeshbhai Shah**	-	-	-	
	<b>Total (2)</b>	<b>Nil</b>	<b>-</b>	<b>-</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>24000</b>	<b>-</b>	<b>150000</b>	<b>174000</b>
	Total Managerial Remuneration	<b>24000</b>	<b>-</b>	<b>150000</b>	<b>174000</b>
	Overall Ceiling as Per the Act	The sitting fees and remuneration paid to other directors are within the maximum prescribed limits.			

\* Ms. Rutvi Jayeshbhai Shah resigned as director w.e.f. June 30, 2020.

\*Mr. Harshil Jayeshbhai Shah was appointed as additional Non-executive director w.e.f. June 30, 2020 and confirmed as Non-executive director w. e. f. August 08, 2020.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Amount in Rs.)**

Sl. No.	Particulars of Remuneration	Name	
		Amitbhai Jamnadas Vaghajiyani	Milankumar Sureshbhai Ganatra
		CFO	Company Secretary
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>6,00,000</b>	<b>2,40,000</b>
	(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, Contribution to Provident Fund	---	---
	Total	6,00,000	2,40,000

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 18.08.2021  
Place: Lajai

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

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

**ANNEXURE –II**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021**

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

To,  
The Members,  
SONAM CLOCK LIMITED  
(Formerly known as Sonam Clock Private Limited)

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

Based on our verification of the SONAM CLOCK LIMITED (Formerly known as Sonam Clock Private Limited) (hereinafter called the company) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by SONAM CLOCK LIMITED (Formerly known as Sonam Clock Private Limited) (hereinafter called the company) (“the Company”) for the financial year ended on 31<sup>st</sup> March,2021, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

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

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

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

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

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

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

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

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

3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

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

of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

-Adequate notice was given to directors in advance to schedule the Board Meetings, Agenda and notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting based upon notices shown to us.

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

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

7. The equity shares of the Company were listed on SME platform of National Stock Exchange.

Place: Ahmedabad

Date: 18.08.2021

UDIN: F006807C000802074

For, R. V. Gandhi & Co.

Sd/-

Rashmikant V. Gandhi  
Company Secretary  
FCS: 6807/C.P. No: 7120

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

**'Annexure A'**

**To,  
The Members,  
SONAM CLOCK LIMITED  
(Formerly known as SONAM CLOCK Private Limited)**

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

Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

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

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

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

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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

Place: Ahmedabad  
Date: 18.08.2021  
UDIN: F006807C000802074

For, R. V. Gandhi & Co.

Sd/-  
Rashmikant V. Gandhi  
Company  
Secretary  
FCS: 6807/C.P. No: 7120



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

- **Company Overview:** Sonam Clock is one of the largest and leading clocks manufacturing Company in India. Company is well equipped with the world class technology and state-of-the-arts equipment which is strategically utilized by highly professional management team & the workforce from surrounding villages (Most of them are female workers) with the values of dedication, commitment and hard work the company as a team is climbing the ladder of success. At present, the company has a wide range of Clocks, LED Clocks & Timepieces.

Since last seventeen years "SONAM" has never looked back, and now become India's one of the largest customized clock producing company. In the field of Indian Clock Manufacturing industry "SONAM" is running "NECK to NECK" a winning track with its production capacity and strong marketing network.

- **Industry structure and development:** When looking at the modern-day clock and trying to understand the way we value time, it is important to examine the root of our modern timepieces. From the olden days, royal maharajas using the pocket watches to the current next-gen using smart watches and techno wearable devices, some Indian brands are attempting to take over international look & feel while retaining the age-old charm. Let's look at who is keeping time in the country.

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

With an abundance of time-telling devices available, wall clocks have been able to retain their popularity by maintaining the utility value and basic efficiency. Traditional wall clock manufacturers have been forced to tweak the products and offer the same as the designer and attractive pieces with aesthetic value in homes, offices and other premises. The move says industry sources, is also a result of a shift in consumer preferences for such products. Modified products in the form of wooden and metal-built designer wall clocks, at times encrusted with gems and jewellery, are in demand from customers. Customers consider such kind of wall clocks as adornments or décor pieces for their homes and offices and not just time telling machines.

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

to produce. Below is the process which makes your timepieces more valuable and precious.

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

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

- **To promote the brand development strategy:** Further enhance the degree of attention to independent wall clock brand we are building, brand development strategy. One is to strengthen brand awareness, the formation of internal personnel and all processes, promote all-round good atmosphere brand building, and implemented in capital investment, human resources and so on. The second is the development of independent brand development strategy, according to their own characteristics and operational objectives, a clear market positioning, choice of personalized, differentiated brand development model. The third is to enhance brand management capabilities, encourage enterprises to establish brand management, the establishment of practical brand management mechanism, the implementation of brand management, foster cultural brand, and brand value. Fourth, explore the establishment of the whole process of intellectual property management system, scientific layout and effective use of intellectual property. Fifth, improve the brand evaluation method, the establishment of the wall clock brand value measurement index system, to enhance the brand value and provide guidance support. Sixth, actively carry out the work of brand promotion, integrated use of various types of brand communication channels publications, networks, mobile terminals, effectively increasing the wall clock brand.
- **opportunities:** The government is introducing several reforms to create possibilities for getting Foreign Direct Investment (FDI) and foster business partnerships, in this regards our company trying to focus on "**MAKE IN INDIA**" for all type of Raw material and other material used for wall clock and time piece. Moreover, our centre of attention is to increase the export of all type of clock and clock parts. In present time Sonam Clock Limited has covered 70% of market in sale of Movements in domestic and foreign market. By this way our company is generating employment and using internal resource via purchasing power.
- **Segment-wise or product-wise performance:** The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable. there is no separate segment or product.

- **Outlook:** Within this dynamic environment, we are providing various different products with different and attractive features, being different in market one should add uniqueness in product to survive in market.
- **Risk and concern:** Traditionally, there has seen bulk production of emulsion-based wall clock industry, while customized products tend to be in small quantity. Most of the clock manufacturers being small and medium, bulk production of customized metal and wood based products were not viable. However, recent changes in trend in wall clocks has led to some of the players attempt bulk offering of high-valued designer clocks to corporate it will be change from time to time.

"People prefer to buy designer clocks that look expensive at affordable prices. So we have to design such decorative pieces accordingly. Sales of designer clocks have grown gradually in the last three years but there are Number of manufacturers has decreased even as the business becomes unviable for smaller players and design may become outmoded within small time span"

- **Internal control systems and their adequacy:** The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.
- Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.
- **Discussion on financial performance with respect to operational performance:**  
On a standalone basis, the revenue from operations for FY 2020-21 was Rs.7961.75 Lakhs over the previous year's revenue from operations of Rs. 5996.24 Lakhs.

Net Profit after for FY 2020-21 was Rs. 332.34 Lakh over the previous year's Net Profit after Rs. 285.21 Lakhs.

Other Expenses reduces for FY 2020-21 was Rs. 523.79 Lakh over the previous year's Other Expenses Rs. 591.43 Lakhs.

Earnings per Share for FY 2020-21 was Rs. 3.32 over the previous year's Earnings per Share Rs. 2.85

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

- **Material developments in Human Resources / Industrial Relations front, including number of people employed:** Human resources management (HRM) is a management function concerned with hiring, motivating and maintaining people in an organization. It focuses on people in organizations. Human resource management is designing management systems to ensure that human talent is used effectively and efficiently to accomplish organizational goals. Our company has employed more than 700 women in the department working since long time. Company provides various facilities to all the employees of company.
- **Disclosure of Accounting Treatment:** The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standard: our company has followed all required accounting standers also disclosed significant accounting policy. Financial statements include balance sheet, profit and loss, cash flow statement with schedules/Notes.
- **Cautionary Statement:** The statements in the "Management Discussion and Analysis Report" section describes the company objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

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

For and on behalf of the Board,  
 SONAM CLOCK LIMITED

Date: 18.08.2021  
 Place: Lajai

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

Sd/  
 Deepaben J. Shah  
 Whole time Director  
 DIN:01981533

**ANNEXURE-IV TO BOARD'S REPORT  
FORM NO. AOC-2**

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

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

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

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

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

<b>Name of Related Party</b>	<b>Nature of relationship</b>	<b>Nature of Contract / agreement / transactions</b>	<b>Duration of contracts / agreements / transactions</b>	<b>Salient terms of contracts or agreements, or transactions including the value, if any</b>	<b>Date(s) of approval by the Audit committee, if any:</b>	<b>Amount paid as advances, if any:</b>
Sonam Tradelink LLP	Entities Significantly influenced by relative of Director	Purchase of goods	-----	-----	13.05.2020	-----
Sonam Tradelink LLP	Entities Significantly influenced by Director	Sales of goods	-----	-----	13.05.2020	-----
Sonam Tradelink LLP	Entities Significantly influenced by relative of Director	Commission Expense	-----	-----	13.05.2020	-----
Jayeshbhai Shah	Managing Director	Rent Paid	-----	-----	13.05.2020	-----

Deepaben Shah	Whole time Director	Rent Paid	-----	-----	13.05.2020	-----
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(1) The Company has entered into contracts or arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013. However, all such transactions are entered into in the ordinary course of business and in the option of the Board all such transaction are at arm's length. Accordingly, by virtue of third proviso to Section 188(1) of the Act, no approval of the Board or General Meeting as referred to in Section 188(1) and its first proviso is required for such transactions. However, as part of good corporate governance, all related party transactions covered under section 188 of the Act are approved by the Audit committee.

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

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 18.08.2021  
Place: Lajai

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

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

## Annexure-V to Board's Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. **A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs:**

Corporate Social Responsibility (CSR) is a large part of our overall sustainability policy encompassing social, economic and environmental actions. The policy is also aimed at demonstrating care for the community through its focus on education, healthcare, community development projects/programs etc. and supplementing the efforts of the local institutions/NGOs in the aforesaid fields to meet priority needs of the marginalized and underserved communities with the aim to help them to become self-reliant. These efforts are to be undertaken preferably in the local area and areas around our work centres/ project sites or other area/s if public needs so demands.

The Company approaches Corporate Social Responsibility (CSR) strategically – in order to ensure a sustainable future for people and planet. By focusing our talent, technology, and capital on social welfare, health care issues and educational concerns, we strive to enact positive social change in the society.

The CSR activities undertaken can be briefly summarized as follows:

- Promoting Education
- Promoting Socio economic development and relief
- Eradicating hunger, poverty & malnutrition
- Promoting Environmental Sustainability
- Social and Women Empowerment
- Various other social matters

The projects/programmes/activities undertaken/to be undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

2. **The Composition of CSR Committee:**

Name	Designation
Mr. Shreyansh Vijaybhai Vora	Chairman of CSR Committee
Mr. Jigar Dipakbhai Mehta	Member
Mr. Harshil Jayeshbhai Shah	Member

4. **Prescribed CSR Expenditure (2% of average net profit) :**  
Not Applicable



5. **Details of CSR spent during the Financial Year:**

(a)	Total amount spent during the financial year i.e. 2020-21		Rs.7,07,828
	(I) For current Financial year i.e. 2020-21	Not Applicable	
	(II) For the earlier years' unspent amount	Rs.7,07,828	
(b)	Amount unspent, if any	Nil	
(C)	Manner in which the amount spent during the financial year	As per table below	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where the project or Programs were undertaken	Amount outlay (budget) project or programs wise (INR)	Amount spent on the projects or programs subhead (1) Direct Expenditure on projects or programs (2) Overhead (INR)	Cumulative expenditure up to the reporting period (INR)	Amount spent: Direct or through implementing agency
1	Contribution for Education & Medical aid	Education, Healthcare	Morbi, Gujarat	Rs. 7,07,828	Rs. 7,07,828	Rs. 7,07,828	Shree Ansuyaben Chhabildas Shah Charitable Trust, Morbi, Trust Reg. No. E/9696/ Rajkot

6. **Reasons for not spending amount allocated for CSR activities: Not Applicable**

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

The Company recognizes its obligations to act responsibly, ethically and with integrity in its dealings with employees, community, customers and the environment as a whole. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

## ANNEXURE-VI

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21.

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

Sr. No.	Name of Director	Remuneration (Rs. In Lacs)	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31 March 2021
1	Jayeshbhai Chhabildas Shah, Chairman & Managing Director	Nil	Not applicable as no remuneration paid to Jayeshbhai C. Shah during the f. y. 2020-21	Nil
2	Deepaben Jayeshbhai Shah, Whole-Time Director	Nil	Not applicable as no remuneration paid to Deepaben J. Shah during the f. y. 2020-21	Nil

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

Sr. No.	Name of Director	Designation	Ratio to MRE of the employees
3	Harshil Jayeshbhai Shah	Non-Executive Director	Not applicable as no remuneration paid to Harshil J. Shah during the f. y. 2020-21

**Note:** The remuneration of Independent and Non-Executive 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 in year ended 31 March 2021
4	Amitbhai Jamnadas Vaghajiyani	CFO	--
5	Milankumar Sureshbhai Ganatra	Company Secretary & Compliance Officer	--

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

3. The percentage increase in the median remuneration of employees in the financial year 2020-21: There was no increment made in the salary of the employees of the Company as well as in the managerial remuneration to mitigate the effects of COVID-19.

4. The number of permanent employees on the rolls of Company in the financial year 2020-21: 356 Employees

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration Average percentile increase made in the salaries of employees other than the managerial remuneration:

There was no increment made in the salary of the employees of the Company as well as in the managerial remuneration to mitigate the effects of COVID-19.

6. Affirmation that the remuneration is as per the remuneration policy of the Company  
-We affirm that the remuneration paid is as per the remuneration policy of the Company.

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

For and on behalf of the Board,  
SONAM CLOCK LIMITED

Date: 18.08.2021  
Place: Lajai

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

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

## **INDEPENDENT AUDITOR’S REPORT**

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

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

#### **Opinion**

We have audited the accompanying financial statements of **Sonam Clock Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021;
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### **Basis for Opinion**

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

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon.

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

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

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the financial position of the Company, except for litigation as referred to Note 24(15) (ii) to the financial statements.
  - ii. The Company has made all material provisions, except as mentioned in the notes to accounts, if any, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For, SVK & Associates**

Chartered Accountants

FRN: 118564W

**Sd/-**

**CA. Shilpang Karia**

Partner

M. No. 102114

UDIN: 21102114AAAAHA1607

Date: 26<sup>th</sup> June, 2021

Place: Morbi



**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SONAM CLOCK LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, SVK & Associates**

Chartered Accountants

FRN: 118564W

Sd/-

**CA. Shilpang Karia**

Partner

M. No. 102114

UDIN: 21102114AAAAHA1607

Date: 26<sup>th</sup> June, 2021

Place: Morbi

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

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

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

i. **FIXED ASSETS:**

- a. In our opinion, the company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As further explained to us, pursuant to the said program, certain fixed assets were physically verified by the management during the year. According to the said information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

ii. **INVENTORIES:**

- a. According to the information and explanation given to us, the inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.
- b. According to the information and explanation given to us as explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.

iii. **LOANS:**

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, during the year under review. Consequently, the provisions of clause (iii) of the order are not applicable to the company.

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

- iv. **LOANS, INVESTMENTS & GUARANTEES:**  
According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans directly or indirectly to any directors or person or entities in which directors are interested; has not made any investments or has not given any guarantee for loans taken by others from any bank or financial institutions. Consequently, the provisions of clause (iv) of the order are not applicable to the company.
- v. **DEPOSITS:**  
As explained to us, the company has not accepted any loans or deposits within meaning of Section 73 to 76 of the Companies Act, 2013 read with Rule 2(b) of the Companies (Acceptance of Deposit's) Rules 2014, during the year under review. Consequently, the provisions of clause (v) of the order are not applicable to the company
- vi. **COST RECORDS:**  
According to the information and explanations provided by the management to us and to the best of our knowledge, the Company is not engaged in production of any such goods or production of any such services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence the provisions of section 148(1) of the Act do not apply to the Company.
- vii. **STATUTORY DUES:**
- a. As per information and explanation available to us, undisputed statutory dues including provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues have been generally regularly deposited with the appropriate authorities, applicable to it, though there had been some delays in certain cases. Further according to information explanation given to us, No undisputed statutory dues applicable to the company were outstanding as at 31<sup>st</sup> March, 2021 for a period of more than 6 months from the date they become payable.
  - b. According to the information and explanation available to us, there are no dues outstanding on account provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues on account of dispute except the amount mentioned in Note 24(15)(ii) to the financial statements.

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

viii. **DUES TO FINANCIAL INSTITUTION, BANKS OR DEBENTURE HOLDER:**

Based on our audit procedures and as per information and explanation given to us by the management of the company, we are of the opinion that company has not defaulted in repayment of dues to financial institutions and banks during the year under review.

The company has not issued any debentures.

ix. **TERM LOANS & PUBLIC ISSUE:**

In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer during the year.

Based on the audit procedures performed and according to the information, explanations given to us, on an overall basis, the existing as well as new term loans have been applied for the purpose for which they were obtained.

x. **FRAUD:**

Based upon the audit procedures performed and as per the information and explanation given by the management, we report that no fraud by the company or any fraud on the company by its officers / employees has been noticed or reported during the course of our audit.

xi. **MANAGERIAL REMUNERATION:**

In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. **NIDHI COMPANY:**

In our opinion, the company is not a Nidhi Company. Consequently, the provisions of clause (xii) of the order are not applicable to the company.

xiii. **RELATED PARTY TRANSACTIONS:**

Based upon the audit procedures performed and as per the information and explanation given by the management, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and have been duly disclosed in the financial statements, as required by the applicable accounting standards.

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

xiv. **PREFERENTIAL ALLOMENT / PRIVATE PLACEMENT:**

Based on the audit procedures performed and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, the provisions of clause (xiv) of the order are not applicable to the company.

xv. **NON-CASH TRANSACTIONS:**

Based on the audit procedures performed and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Consequently, the provisions of clause (xv) of the order are not applicable to the company.

xvi. **REGISTRATION UNDER SECTION 45-IA OF RBI ACT, 1934:**

According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For, SVK & Associates**

Chartered Accountants

FRN: 118564W

Sd/-

**CA. Shilpang Karia**

Partner

M. No. 102114

UDIN: 21102114AAAAHA1607

Date: 26<sup>th</sup> June, 2021

Place: Morbi

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

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

(Amount in Rs.)

Particulars	Note No.	As At 31st March 2021 Rs.	As At 31st March 2020 Rs.
<b>I. EQUITY AND LIABILITIES :</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	100,080,000	100,080,000
(b) Reserves and Surplus	2	211,376,961	178,142,436
		<b>311,456,961</b>	<b>278,222,436</b>
<b>2. Non-Current Liabilities</b>			
(a) Long-term borrowings	3	103,272,138	82,972,096
(b) Deferred tax liabilities (Net)		12,330,811	10,306,882
(c) Long term Provisions	4	3,500,008	2,354,744
		<b>119,102,957</b>	<b>95,633,722</b>
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	5	138,220,595	144,651,370
(b) Trade Payables	6		
- Dues to Micro & Small Enterprises		-	-
- Dues to Other Than Micro & Small Enterprises		32,203,277	61,241,874
(c) Other Current liabilities	7	63,177,000	16,095,810
(d) Short-term Provisions	8	16,068,655	16,447,433
		<b>249,669,527</b>	<b>238,436,488</b>
<b>TOTAL</b>		<b>680,229,446</b>	<b>612,292,646</b>
<b>II. ASSETS :</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and equipment	9		
Tangible Assets		302,927,388	147,705,400
Capital Work in Progress		2,884,581	128,660,076
(b) Long term loans and advances	10	2,139,520	2,189,520
		<b>307,951,489</b>	<b>278,554,997</b>
<b>2. Current Assets</b>			
(a) Inventories	11	182,451,781	178,776,613
(b) Trade Receivables	12	87,754,439	104,810,573
(c) Cash and Cash Equivalents	13	3,161,347	1,753,042
(d) Short-term Loans and Advances	14	95,027,220	44,627,826
(e) Other Current Assets	15	3,883,171	3,769,596
		<b>372,277,957</b>	<b>333,737,650</b>
<b>TOTAL</b>		<b>680,229,446</b>	<b>612,292,646</b>
Significant Accounting Policies	23		
The accompanying notes to accounts are an Integral part of these financial statements	24		
As per our report of even date attached		For and on behalf of the Board	
<b>For, SVK &amp; Associates</b>		<b>For SONAM CLOCK LTD.</b>	
Chartered Accountants			
Firm No. - 118564W			
Sd/-	Sd/-	Sd/-	
<b>CA. Shilpang V. Karia</b>		<b>Jayeshbhai C. Shah</b>	<b>Deepaben J. Shah</b>
Partner		<b>Chairman &amp; MD</b>	<b>Whole Time Director</b>
M. No. - 102114		<b>DIN : 00500814</b>	<b>DIN : 01981533</b>
UDIN: 21102114AAAAHA1607		Sd/-	Sd/-
		<b>Amitbhai J. Vaghjiyani</b>	<b>Milankumar Ganatra</b>
		<b>Chief Financial Officer</b>	<b>Company Secretary</b>
Place : Morbi		Place : Morbi	
Date : 26 <sup>th</sup> June, 2021		Date : 26th June, 2021	



**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	Note No.	For The Year 31st March 2021 Rs.	For The Year 31st March 2020 Rs.
I. Revenue from Operation	16	796,175,038	599,624,549
II. Other Income	17	1,036,205	4,052,195
<b>III. Total Revenue ( I + II )</b>		<b>797,211,243</b>	<b>603,676,744</b>
<b>IV. Expenses:</b>			
Cost of Materials and Components Consumed	18	224,160,192	295,481,443
Purchases of Stock-in-Trade		365,266,109	127,368,020
Changes in Inventories of Finished Goods, Work-in process and Stock-in-trade	19	27,399,828	(9,585,124)
Employee Benefits Expenses	20	49,542,226	61,939,108
Finance Costs	21	19,767,319	17,157,835
Depreciation and Amortization Expenses	9	13,440,507	12,006,721
Other Expenses	22	52,379,567	59,143,360
<b>Total Expenses</b>		<b>751,955,749</b>	<b>563,511,364</b>
<b>V Profit Before extra ordinary items and Tax</b>		<b>45,255,494</b>	<b>40,165,380</b>
Less : Prior Period Items			
Prior Period Expenses		262,500	-
<b>VI Profit Before Tax</b>		<b>44,992,994</b>	<b>40,165,380</b>
VII Tax Expenses:			
(1) Current Tax		9,906,935	10,208,782
(2) Deferred Tax		2,023,929	(590,128)
(3) Prior Year Tax		(172,395)	2,025,142
<b>Tax For The Year</b>		<b>11,758,469</b>	<b>11,643,796</b>
<b>VIII Net Profit(Loss) for the period from Continuing Operations ( VI - VII )</b>		<b>33,234,525</b>	<b>28,521,584</b>
IX Profit/(Loss) from Discontinuing Operation (Net)		-	-
X Tax Expenses of Discontinuing Operation		-	-
<b>XI Net Profit / (loss) from Discontinuing Operations ( IX - X )</b>		<b>-</b>	<b>-</b>
<b>XII Net Profit / (Loss) for the Year (VIII+ XI)</b>		<b>33,234,525</b>	<b>28,521,584</b>
Earning per equity share:(Basic & Diluted) [Refer Note 24(9)]			
Earning Per Share Before Exceptional & Extra-Ordinary Items (Basic & Diluted) computed on the basis of profit from continuing operations		3.35	2.85
Earning Per Share Before Exceptional & Extra-Ordinary Items (Basic & Diluted) computed on the basis of total profit for the year		3.35	2.85
Earning Per Share After Exceptional & Extra-Ordinary Items (Basic & Diluted) computed on the basis of profit from continuing operations		3.32	2.85
Earning Per Share After Exceptional & Extra-Ordinary Items (Basic & Diluted) computed on the basis of total profit for the year		3.32	2.85
<b>Significant Accounting Policies</b>	23		
<b>The accompanying notes to accounts are an integral part of these financial statements</b>	24		
As per our report of even date attached <b>For, SVK &amp; Associates</b> Chartered Accountants Firm No. - 118564W  Sd/-  <b>CA. Shilpang V. Karia</b> Partner M. No. - 102114 UDIN: 21102114AAAAHA1607		For and on behalf of the Board <b>For SONAM CLOCK LTD.</b>  Sd/-  <b>Jayeshbhai C. Shah</b> Chairman & MD DIN : 00500814  Sd/-  <b>Amitbhai J. Vaghjiyani</b> Chief Financial Officer	Sd/-  <b>Deepaben J. Shah</b> Whole Time Director DIN : 01981533  Sd/-  <b>Milankumar Ganatra</b> Company Secretary
Place : Morbi Date : 26th June, 2021		Place : Morbi Date : 26th June, 2021	

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

	PARTICULARS	For the Year 31st March 2021 Rs.	For the Year 31st March 2020 Rs.
<b>A</b>	<b>Cash Flow from Operating Activity</b>		
	<b>Profit before Tax</b>	44,992,994	40,165,380
	<u>Add / (Less): Non Cash and Operating Expenses</u>		
	Depreciation & Amortization Expenses (Net)	13,440,507	12,006,721
	Interest Received / Other Non-Operative Receipts	(132,909)	(17,447)
	Finance Cost	19,767,319	17,157,835
	<b>Operating profit before working capital changes</b>	<b>78,067,911</b>	<b>69,312,490</b>
	Adjustment for:		
	(Increase) / Decrease in Inventory	(3,675,168)	8,012,754
	(Increase) / Decrease in Trade Receivables	17,056,135	(12,031,316)
	(Increase) / Decrease in Loans and Advances	(16,378,468)	(12,050,722)
	Increase / (Decrease) in Current Liabilities and Provisions	19,110,925	(1,326,173)
	(Increase) / Decrease in Other Current Assets	(113,575)	32,156
	<b>Cash Generated from Operation</b>	<b>94,067,762</b>	<b>51,949,188</b>
	Taxes Paid	(7,435,064)	(13,234,784)
	<b>Net Cash Flow from Operating Activity before Extra-Ordinary Items</b>	<b>86,632,698</b>	<b>38,714,404</b>
<b>B</b>	<b>Cash Flow from Investing Activity</b>		
	(Increase) / Decrease in Fixed Assets (net)	(42,886,999)	(124,425,109)
	Advances Given for Capital Assets	(36,572,250)	-
	Interest Received / Other Non-Operative Receipts	132,909	17,447
	<b>Net Cash Flow from Investing Activities</b>	<b>(79,326,340)</b>	<b>(124,407,662)</b>
<b>C</b>	<b>Cash Flow from Financing Activity</b>		
	Increase / (Decrease) in Long Term & Short Term Borrowings	13,869,267	103,816,415
	Interest Expenses	(19,767,319)	(17,157,835)
	<b>Net Cash Flow from Financing Activities</b>	<b>(5,898,052)</b>	<b>86,658,579</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,408,305</b>	<b>965,321</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	1,753,042	787,721
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>3,161,347</b>	<b>1,753,042</b>
	<b>Components of Cash and Cash Equivalents</b>	<b>Period ended 31st March 2021 Rs.</b>	<b>Year ended 31st March 2020 Rs.</b>
	<b>Cash on hand &amp; Equivalents</b>		
	- Cash on hand	1,920,666	1,611,349
	<b>Balances with Scheduled Banks</b>		
	- In Deposit Accounts	1,152,794	-
	- In Current Accounts	87,887	141,693
		<b>3,161,347</b>	<b>1,753,042</b>

**Notes :**

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI.
- 2 Figures of Cash & Cash Equivalents have been taken from Note 13

As per our attached report of even date

**For, SVK & Associates**

Chartered Accountants

Firm No. - 118564W

Sd/-

**CA. Shilpang V. Karia**

Partner

M. No. - 102114

UDIN: 21102114AAAAHA1607

For and on behalf of the Board

**For SONAM CLOCK LTD.**

Sd/-

**Jayeshbhai C. Shah**

Chairman & MD

DIN : 00500814

Sd/-

**Amitbhai J. Vaghjiyani**

Chief Financial Officer

Sd/-

**Deepaben J. Shah**

Whole Time Director

DIN : 01981533

Sd/-

**Milankumar Ganatra**

Company Secretary

Place: Morbi

Date : 26th June, 2021

Place: Morbi

Date : 26th June, 2021

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

**NOTES FORMING PART OF THE BALANCE SHEET**

**AS AT 31st MARCH, 2021**

(Amount in Rs.)

Particulars	As At		As At	
	31-March-21 Number	31-March-21 Amt. (Rs.)	31-March-20 Number	31-March-20 Amt. (Rs.)
<b>NOTE - 1 : SHARE CAPITAL</b>				
<b>a. Authorized :</b>				
Equity Shares of Rs. 10/- Each	11,000,000	110,000,000	11,000,000	110,000,000
<b>Total</b>	<b>11,000,000</b>	<b>110,000,000</b>	<b>11,000,000</b>	<b>110,000,000</b>
<b>b. Issued, Subscribed &amp; Paid Up :</b>				
Equity Share Capital	10,008,000	100,080,000	10,008,000	100,080,000
<b>Total</b>	<b>10,008,000</b>	<b>100,080,000</b>	<b>10,008,000</b>	<b>100,080,000</b>

**Reconciliation of Number Of Shares outstanding at the beginning and at the end of the reporting period**

Particulars	31-March-21		31-March-20	
	Number	Amt. (Rs.)	Number	Amt. (Rs.)
<b>Equity Shares :</b>				
Shares outstanding at the beginning of the year	10,008,000	100,080,000	10,008,000	100,080,000
Shares issued during the period	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,008,000	100,080,000	10,008,000	100,080,000

The Company is listed on NSE Emerge on 14th June, 2018. During the year 18-19, the company has raised Rs. 1,010.88 lacs , by way of issue of 28,08,000 equity share of Rs. 10 each at premium of Rs. 26 per share , totalling to price of Rs. 36 Per share. The said proceeds has been fully utilised for the object of the issue.

**Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Shares in the company held by each shareholder holding more than 5 percent shares**

Sr. No.	Name of Shareholder	31-March-21		31-March-20	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Jayesh Chhablidas Shah	6,407,200	64.02%	6,407,200	64.02%
2	Deepaben Jayeshbhai Shah	480,000	4.80%	480,000	4.80%
3	Jayesh Chhablidas Shah (Huf)	480,400	4.80%	480,400	4.80%
4	Arcadia Share & Stock Brokers Pvt Ltd	405,000	4.05%	133,000	1.33%
5	Public Shareholding	2,235,400	22.34%	2,507,400	25.05%

**Shares issued other than cash, bonus issue and shares bought back**

Particulars	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	1,800,000	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil
<b>Preference Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil
<b>Unpaid Calls</b>	<b>2020-21</b>	<b>2019-20</b>			
By Directors	Nil	Nil			
By Officers	Nil	Nil			

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

**NOTES FORMING PART OF THE BALANCE SHEET**  
**AS AT 31st MARCH, 2021**

(Amount in Rs.)

Particulars	As At 31-March-21 Rs.	As At 31-March-20 Rs.
<b>NOTE - 2 : RESERVES AND SURPLUS :</b>		
<b>A Securities Premium</b>		
Balance As Per Last Financial Statements	73,008,000	73,008,000
Add : Addition during the year	-	-
Less : Deduction during the year	-	-
Closing Balance	73,008,000	73,008,000
Sub Total	<b>73,008,000</b>	<b>73,008,000</b>
<b>B Profit &amp; Loss Account (Surplus)</b>		
Balance As Per Last Financial Statements	105,134,436	76,612,852
Add : Current Year Profits / (Loss)	33,234,525	28,521,584
Less : Dividend (including tax) during the year	-	-
Closing Balance	138,368,961	105,134,436
Sub Total	<b>138,368,961</b>	<b>105,134,436</b>
<b>TOTAL NOTE 2</b>	<b>211,376,961</b>	<b>178,142,436</b>
<b>NOTE - 3 : LONG TERM BORROWINGS :</b>		
[Refer Note 24(2)]		
<b>Secured</b>		
<b>Term Loans</b>		
From Banks	101,518,163	79,249,839
From Banks - Vehicle Loans	1,753,975	3,722,257
<b>TOTAL NOTE 3</b>	<b>103,272,138</b>	<b>82,972,096</b>
<b>NOTE - 4 : LONG-TERM PROVISIONS :</b>		
<b>Provision for Employee Benefits</b>		
[Refer Note 24(10)]		
Gratuity (unfunded)	3,500,008	2,354,744
<b>TOTAL NOTE 4</b>	<b>3,500,008</b>	<b>2,354,744</b>
<b>NOTE - 5 : SHORT TERM BORROWINGS :</b>		
[Refer Note 24(2)]		
<b>Secured :</b>		
<b>Loans Repayable on Demand</b>		
From Banks - Working Capital Facilities	119,620,595	141,751,370
<b>Unsecured</b>		
From Director	18,600,000	2,900,000
<b>TOTAL NOTE 5</b>	<b>138,220,595</b>	<b>144,651,370</b>
<b>NOTE - 6 : TRADE PAYABLES :</b>		
[Refer Note 24 (12 & 14)]		
(a) Dues to Micro & Small Enterprises	-	-
(b) Dues to Other Than Micro & Small Enterprises	32,203,277	61,241,874
<b>TOTAL NOTE 6</b>	<b>32,203,277</b>	<b>61,241,874</b>
<b>NOTE - 7 : OTHER CURRENT LIABILITIES :</b>		
(a) Current Maturities of Long Term Debts	50,995,759	11,532,950
(b) Statutory Liabilities	3,758,934	822,938
(c) Advances Received from Customers	8,119,835	3,516,654
(d) Payables for unclaimed Dividend	27,050	27,050
(e) Other Current Liabilities	275,421	196,218
<b>TOTAL NOTE 7</b>	<b>63,177,000</b>	<b>16,095,810</b>
<b>NOTE - 8 : SHORT TERM PROVISIONS :</b>		
<b>a. Provision for employee benefits</b>		
Salary & Reimbursements	5,360,267	4,737,521
Contribution to PF	438,482	548,246
Labour Welfare Fund Payable	5,508	-
Gratuity Provision (Short Term)	207,463	132,556
<b>TOTAL (a)</b>	<b>6,011,720</b>	<b>5,418,323</b>
<b>b. Others</b>		
Provision for Current Income-tax	9,906,935	10,208,782
Provision for Unpaid Expenses	150,000	112,500
Provision for CSR Expenses	-	707,828
<b>TOTAL (b)</b>	<b>10,056,935</b>	<b>11,029,110</b>
<b>TOTAL NOTE 8 (a+b)</b>	<b>16,068,655</b>	<b>16,447,433</b>

**SONAM CLOCK LIMITED**  
(Previously known as "SONAM CLOCK PVT. LTD.")

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2021

**NOTE - 9 : PROPERTY, PLANT & EQUIPMENT**

(Amount in Rs.)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION BLOCK				NET BLOCK	
	As on 01-04-2020	Additions during the year	Deductions during the year	As on 31-03-2021	As on 01-04-2020	Depreciation for the year	Deductions	As on 31-03-2021	As on 31-03-2021	As on 01-04-2020
<b>a. Tangible Assets</b>										
Factory Land	2,456,860	-	-	2,456,860	-	-	-	-	2,456,860	2,456,860
Factory Buildings & Rajkot Office	93,352,751	152,593,836	-	245,946,587	24,316,287	3,731,848	-	28,048,135	217,898,452	69,036,464
<b>Plant &amp; Machinery</b>										
Machinery	65,028,646	5,709,180	-	70,737,826	27,405,765	4,244,449	-	31,650,214	39,087,613	37,622,882
Handling Equipments	2,502,899	524,200	-	3,027,099	509,601	165,333	-	674,934	2,352,165	1,993,298
DG Set	1,410,870	-	-	1,410,870	880,946	102,147	-	983,093	427,777	529,924
Dies & Moulds	26,714,973	1,382,500	-	28,097,473	7,414,406	1,788,222	-	9,202,628	18,894,845	19,300,567
Water Tanker	267,500	-	-	267,500	96,381	17,555	-	113,936	153,564	171,119
Electric Installations	2,564,530	-	-	2,564,530	2,381,557	45,012	-	2,426,569	137,961	182,973
Cooling Tower	265,650	-	-	265,650	134,515	17,626	-	152,141	113,509	131,135
Solar Plant	-	7,762,100	-	7,762,100	-	244,997	-	244,997	7,517,103	-
<b>Vehicles</b>										
Motor Buses	14,013,398	-	-	14,013,398	9,301,338	1,050,228	-	10,351,566	3,661,832	4,712,060
Motor Cars	8,950,405	-	-	8,950,405	2,206,072	950,072	-	3,156,144	5,794,261	6,744,333
Motor Cycles	280,346	-	-	280,346	227,863	16,785	-	244,648	35,698	52,483
<b>Furniture &amp; Fixtures</b>										
Office Equipments	3,459,427	596,530	-	4,055,957	2,774,464	218,976	-	2,993,440	1,062,517	684,963
Photocopy Equipments	115,500	-	-	115,500	49,301	21,945	-	71,246	44,254	66,199
Furniture & Fixtures	7,990,946	-	-	7,990,946	4,346,143	658,035	-	5,004,178	2,986,768	3,644,803
EPABX System	227,150	-	-	227,150	227,149	-	-	227,149	1	1
Mobiles	537,360	71,998	-	609,358	256,278	104,036	-	360,314	249,044	281,082
<b>Computers &amp; Softwares</b>	929,171	22,150	-	951,321	834,916	63,241	-	898,157	53,164	94,255
	<b>231,068,382</b>	<b>168,662,494</b>	-	<b>399,730,877</b>	<b>83,362,982</b>	<b>13,440,507</b>	-	<b>96,803,489</b>	<b>302,927,388</b>	<b>147,705,400</b>
		<b>44,629,678</b>								
<b>b. Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>c. Capital Work In Progress</b>										
Factory Building under Construction	126,346,446	-	126,346,446	-	-	-	-	-	-	126,346,446
Solar Power Project	2,313,630	-	2,313,630.00	-	-	-	-	-	-	2,313,630
Solar Power Project - 2	-	2,884,581	-	2,884,581	-	-	-	-	2,884,581	-
<b>Total Capital Work in Progress</b>	<b>128,660,076</b>	<b>2,884,581</b>	<b>128,660,076</b>	<b>2,884,581</b>	-	-	-	-	<b>2,884,581</b>	<b>128,660,076</b>
<b>GRAND TOTAL</b>	<b>359,728,459</b>	<b>171,547,075</b>	<b>128,660,076</b>	<b>402,615,458</b>	<b>83,362,982</b>	<b>13,440,507</b>	-	<b>96,803,489</b>	<b>305,811,969</b>	<b>276,365,477</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>235,303,349</b>	<b>124,425,109</b>	-	<b>359,728,459</b>	<b>71,356,261</b>	<b>12,006,721</b>	-	<b>83,362,982</b>	<b>276,365,477</b>	<b>163,947,088</b>

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

**NOTES FORMING PART OF THE BALANCE SHEET**  
**AS AT 31st MARCH, 2021**

(Amount in Rs.)

Particulars	As At 31-March-21 Rs.	As At 31-March-20 Rs.
<b>NOTE - 10 : LONG TERM LOANS &amp; ADVANCES:</b>		
Security Deposits	2,139,520	2,189,520
<b>TOTAL NOTE 10</b>	<b>2,139,520</b>	<b>2,189,520</b>
<b>NOTE - 11 : INVENTORIES:</b>		
<i>(As taken ,valued and certified by the management)</i>		
Raw Materials	144,145,117	113,070,121
Finished Goods	28,886,541	39,678,492
Semi-Finished Goods	9,420,123	26,028,000
<b>TOTAL NOTE 11</b>	<b>182,451,781</b>	<b>178,776,613</b>
<b>NOTE - 12 : TRADE RECEIVABLES:</b>		
[Refer Note 24 (12)]		
<i>(Unsecured and considered good as certified by the management)</i>		
(a) Secured, considered good :	-	-
(b) Unsecured, considered good :		
- Outstanding or a period exceeding six months from the date they are due for payment.	8,111,794	9,332,415
- Outstanding or a period less than six months from the date they are due for payment.	79,642,645	95,478,159
<b>TOTAL NOTE 12</b>	<b>87,754,439</b>	<b>104,810,573</b>
<b>NOTE - 13 : CASH AND CASH EQUIVALENTS :</b>		
a. Cash on Hand	1,920,666	1,611,349
b. Balances with banks		
In Deposit Accounts	1,152,794	-
In Current Accounts	65,086	115,585
Dividend Unpaid Accounts	22,801	26,108
<b>TOTAL NOTE 13</b>	<b>3,161,347</b>	<b>1,753,042</b>
<b>NOTE - 14 : SHORT TERM LOANS AND ADVANCES:</b>		
<i>(Unsecured and considered good as certified by the management)</i>		
a. Advances for Land Purchases to Directors	36,572,250	-
b. Prepaid Expenses	2,547,022	2,269,208
c. Balances With Government Authorities	13,064,279	20,257,073
d. Advances to Suppliers	39,571,583	22,101,544
e. Deposit (Receivables)	3,272,086	-
<b>TOTAL NOTE 14</b>	<b>95,027,220</b>	<b>44,627,826</b>
<b>NOTE - 15 : OTHER CURRENT ASSETS:</b>		
<i>(Unsecured and considered good as certified by the management)</i>		
a. Interest Accrued on Deposits	92,026	-
b. Other Receivables	3,791,145	3,769,596
<b>TOTAL NOTE 15</b>	<b>3,883,171</b>	<b>3,769,596</b>

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

**NOTES TO ACCOUNTS FORMING PART OF STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31st MARCH, 2021**

(Amount in Rs.)

Particulars	For The Year 31-March-21 Rs.	For The Year 31-March-20 Rs.
<b>NOTE - 16 : REVENUE FROM OPERATION:</b>		
a. Sale of Products	790,916,865	593,596,771
b. Other Operating Revenues	5,258,173	6,027,778
<b>TOTAL NOTE : 16</b>	<b>796,175,038</b>	<b>599,624,549</b>
<b>NOTE - 17 : OTHER INCOME :</b>		
Interest Income	132,909	17,447
Foreign Exchange Fluctuation	403,296	3,934,321
Other Misc. Income	500,000	100,427
<b>TOTAL NOTE : 17</b>	<b>1,036,205</b>	<b>4,052,195</b>
<b>NOTE - 18 : COST OF RAW MATERIAL AND COMPONENTS CONSUMED :</b>		
Opening Stock :	113,070,121	130,667,999
Add : Purchases	255,235,188	277,883,565
Less : Closing Stock	144,145,117	113,070,121
<b>TOTAL NOTE : 18</b>	<b>224,160,192</b>	<b>295,481,443</b>
<b>NOTE - 19 : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS &amp; STOCK-IN-TRADE :</b>		
<b>a. Stock At Close</b>		
Finished Goods	28,886,541	39,678,492
Semi-Finished Goods	9,420,123	26,028,000
<b>Total (a)</b>	<b>38,306,664</b>	<b>65,706,492</b>
<b>b. Stock At Commencement</b>		
Finished Goods	39,678,492	46,249,310
Semi-Finished Goods	26,028,000	9,872,058
<b>Total (b)</b>	<b>65,706,492</b>	<b>56,121,368</b>
<b>TOTAL NOTE 19 (b-a)</b>	<b>27,399,828</b>	<b>(9,585,124)</b>

**SONAM CLOCK LIMITED**  
**(Previously known as "SONAM CLOCK PVT. LTD.")**

**NOTES TO ACCOUNTS FORMING PART OF STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31st MARCH, 2021**

(Amount in Rs.)

Particulars	For The Year 31-March-21 Rs.	For The Year 31-March-20 Rs.
<b>NOTE - 20 : EMPLOYEE BENEFITS EXPENSES :</b>		
Salary, Wages and Bonus	32,940,877	34,499,294
Director Remuneration	150,000	15,000,000
Contribution to Provident Fund & Gratuity Fund Provision	3,498,306	3,449,698
Staff Welfare Expenses	12,953,043	8,990,116
<b>TOTAL NOTE : 20</b>	<b>49,542,226</b>	<b>61,939,108</b>
<b>NOTE - 21 : FINANCE COSTS :</b>		
Interest on Term Loans	6,898,305	3,728,461
Interest on Working Capital Facilities	10,592,128	10,719,040
Other Interest	157,086	5,269
Other Borrowing Cost	2,119,800	2,705,065
<b>TOTAL NOTE : 21</b>	<b>19,767,319</b>	<b>17,157,835</b>
<b>NOTE - 22 : OTHER EXPENSES :</b>		
<b>a. Manufacturing &amp; Operating Costs</b>		
Consumption of Electirc, Power and Fuel	6,850,160	10,535,616
Machinery Repairs & Maintenance	2,253,996	3,370,407
Building Repairs & Maintenance	757,381	162,271
Electric Repairs & Maintenance	119,983	548,770
Rent	12,000	12,000
Other Manufacturing & Operating Expenses	3,075,510	1,533,737
<b>Total (a)</b>	<b>13,069,029</b>	<b>16,162,800</b>
<b>b. Sales &amp; Distribution Expenses</b>		
Advertisement	893,554	2,574,832
Sales Promotion Expenses	2,997,967	5,898,220
Export Related Expenditure	13,489,599	11,714,966
Transportation & Loading Expenses	2,175,638	1,963,470
<b>Total (b)</b>	<b>19,556,758</b>	<b>22,151,488</b>
<b>c. General &amp; Administrative Expenses</b>		
Rates & Taxes	277,481	522,929
Conveyance, Tour and Travelling Expenses	479,053	1,853,862
Audit Fees	150,000	125,000
Legal and Professional Expenses	2,441,881	3,954,807
Insurance	3,576,852	2,260,590
CSR Expenses	-	707,828
General Administration Expenses	12,828,513	11,404,056
<b>Total (c)</b>	<b>19,753,780</b>	<b>20,829,072</b>
<b>TOTAL NOTE 22 (a+b+c)</b>	<b>52,379,567</b>	<b>59,143,360</b>



**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

***NOTE 23: SIGNIFICANT ACCOUNTING POLICIES***

**Significant accounting policies:**

(i) Basis of preparation:

These financial statements are prepared in accordance with Schedule III of the Companies Act, 2013 and under the historical cost basis of accounting and evaluated on a going concern basis, with revenues and expenses accounted for on their accrual to comply in all material aspects with the applicable accounting principles and applicable Accounting Standards notified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Company; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP'). The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(ii) Use of Estimates:

The preparation of financial statements require estimates and assumptions to be made that affect the reported balances of assets as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as and when the Management becomes aware of the changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, their effects are disclosed in the notes to the financial statements.

(iii) Revenue Recognition:

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

**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

Sales of Goods:

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

Interest:

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

Other Operating Revenue / Other Income:

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

(iv) Property, Plant & Equipment:

Tangible Assets are stated at cost of acquisition including incidental expenses relating to acquisition and installation. Tangible Assets are stated at cost net of modvat / cenvat / other credits and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All pre-operative costs, including specific financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustment arising from foreign exchange rate variations attributable to the tangible assets are capitalized. Long-term leasehold assets are capitalized under tangible assets.

(v) Depreciation / Amortization on tangible assets:

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

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

Type of Asset	Useful Life as per management's estimate from April 1, 2014
Factory Building	30 Years
Plant & Machinery	15 Years
Electric Fittings	10 Years
Vehicles (Scooters &	10 Years

**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

Mopeds)	
Vehicles (Motor Cars & Motor Buses)	8 Years
Office Equipments	5 Years
Furniture & Fixtures	10 Years
Computers	3 Years

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

(vi) Inventories:

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

(vii) Retirement Benefits and other employee benefits:

Defined Contribution Plans:

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

Defined Benefit Plans:

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

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

(viii) Foreign Currency Transactions:

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

**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

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

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

(ix) Lease Accounting:

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

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

(x) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. All other borrowing costs are charged to statement of profit and loss.

(xi) Taxes on Income

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

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

Deferred Tax: Deferred tax assets and liability is recognized, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets

**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

arising mainly on account of brought forward losses, unabsorbed depreciation and minimum alternate tax under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realisation. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

(xii) Earnings / (Loss) per share:

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year, if any, and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

(xiii) Provisions, contingent liabilities and contingent assets:

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

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

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liabilities are disclosed by way of notes to the accounts.

Contingent assets are not recognized.

**SONAM CLOCK LTD.**  
**(PREVIOUSLY KNOWN AS “SONAM CLOCK PVT. LTD.”)**

(xiv) Cash and Cash Equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

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

(xv) Segment Reporting:

In accordance with Accounting Standard-17 – “Segment Reporting” issued by the Institute of Chartered Accountants of India, the Company has identified its business segment as "Manufacturing & Sale of Horological items, Clocks, Clock Movements and related items". There are no other primary reportable segments. The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable.

As per our attached Report of even date

For, and on behalf of Board

**For, SVK & Associates**  
Chartered Accountants  
FRN: 118564W

**For, SONAM CLOCK LTD.**

Sd/-

Sd/-

Sd/-

**CA. Shilpang Karia**  
Partner  
M. No. 102114  
UDIN: 21102114AAAAHA1607

**Jayeshbhai C. Shah**  
Chairman & MD  
DIN: 00500814

**Deepaben J. Shah**  
Whole Time Director  
DIN: 01981533

Sd/-

Sd/-

**Amitbhai J. Vaghjiyani**  
Chief Financial Officer

**Milankumar Ganatra**  
Company Secretary

Date: 26<sup>th</sup> June, 2021  
Place: Morbi

Date: 26<sup>th</sup> June, 2021  
Place: Morbi

NOTE - 24 : NOTES ON ACCOUNTS:-**A The Company**

"SONAM CLOCK LIMITED" was originally incorporated as "Sonam Clock Private Limited" on June 21, 2001 vide Registration No. 039689/2001-2002 (CIN: U33302GJ2001PTC039689) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat Dadra & Nagar haveli. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on January 29, 2018, our company was converted into a Public Limited Company and consequently the name of our Company was changed from "Sonam Clock Private Limited" to "Sonam Clock Limited" vide a fresh Certificate of Incorporation dated February 07, 2018 issued by the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of our Company is U33302GJ2001PLC039689.

**B Nature of Operations :-**

The Company is having its manufacturing facilities at Morbi, Gujarat, is presently engaged in Manufacturing & Sale of Horological items, Clocks, Clock Movements and related items.

**1 Notes on Audit for the Year Ended March 31, 2021**

Previous year's figure have been reworked, regrouped, rearranged and reclassified wherever necessary, so to give a comparative view. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**2 Long Term and Short Term Borrowings :-****Secured :****[a] Term Loans From Banks**Amnt O/s

(i) Bank of India - Rs.35.88 Lacs (Rs. 51.70 lacs) Primary Security - Hypothecation all Plant & Machineries.

(ii) Bank of India - Rs.822.93 Lacs (Rs. 835.88 Lacs) Primary Security - EQM of factory land and proposed building thereon situated at Sr. No. 338 / 1P1 & 1P2, Village Lajai, Taluka Tankara, Dist. Morbi in name of Sonam Clock Limited. (Land Area: 17705 Sq. Mtrs.)

Collateral Security:

EQM of factory land and building (Commercial Premises Area 4451.52 Sq Mtrs & Industrial Premises Area 5159.72 Sq Mtrs) situated at Ser. No. 337/P, Village Lajai, Taluka Tankara, Dist. Morbi standing in the name of M/s. Sonam Clock Pvt. Ltd. (lease hold).

Personal Guarantee of Mr. Jayeshbhai C. Shah (Director) and Mrs. Deepaben J. Shah (Director)

**[b] Cash Credit & EPC facilities from Banks repayable on demand**Amnt O/s

(i) Bank of India - Rs. 1196.21 lacs (P.Y. 1417.51 lacs) Primary Security - Hypothecation of Stocks and Book Debts.

(ii) Bank of India - GECL-WCTL : Rs. 399 Lacs (P.Y. Nil) - Repayable in 36 EMI after Initial Moratorium of 12 Months.

(iii) Bank of India - CESS-2020 (WCDL) : Rs. 245 Lacs (P.Y. Nil) - Repayable in 18 EMI after Initial Moratorium of 6 Months.

Pledge of TDRs for LC Margin 15% upon full utilization of limit.

Collateral Security:

EQM of factory land and building (Commercial Premises Area 4451.52 Sq Mtrs & Industrial Premises Area 5159.72 Sq Mtrs) situated at Ser. No. 337/P, Village Lajai, Taluka Tankara, Dist. Morbi standing in the name of M/s. Sonam Clock Pvt. Ltd. (lease hold).

Personal Guarantee of Mr. Jayeshbhai C. Shah (Director) and Mrs. Deepaben J. Shah (Director)

**[c] Vehicle Loans From Banks**Amnt O/s

(i) Bank of India - Rs. 24.51 lacs (P.Y. 26.33 lacs) Secured against hypothecation of vehicles.

(ii) HDFC Bank - Rs. 15.36 lacs (P.Y. 31.14 lacs) Secured against hypothecation of vehicles.

The rate of interest on the long term and short term borrowings ranges between 8% to 12% p.a. depending upon the prime lending rate / base rate of the banks applicable at different point of time during the year and the interest rate spread agreed with the banks.

Repayment period of long term borrowings ranges from less than 1 year to 6 years from the balance sheet date.

**Unsecured :**

From Directors Rs. 186 lacs (P.Y. Rs. 29 lacs) carries Nil rate of interest rate and is repayable within 1 year from the balance date.

**3 Managerial Remuneration to Directors**

Salaries, Perquisites & Allowances

	2020-21	2019-20
	150,000	15,000,000
	150,000	15,000,000

**4 Payment to Auditor**

a) Statutory Audit Fees

Certification & other Fees

	2020-21	2019-20
	150,000	125,000
	-	-
	150,000	125,000

**5 C.I.F. Value of Import**

a) Raw Materials

b) Capital goods

	2020-21	2019-20
	148,603,385	116,143,651
	-	-
	148,603,385	116,143,651

**6 The consumption of**

Raw material

i) Imported

ii) Indigenous

	2020-21		2019-20	
	Rs.	%	Rs.	%
	148,603,385	66.29%	116,143,651	39.31%
	75,556,807	33.71%	179,337,792	60.69%
	224,160,192	100.00%	295,481,443	100.00%

**7 Expenditure & Earnings in Foreign Exchange**

a) Expenditure

b) Earnings for sale of goods

	2020-21	2019-20
	-	-
	154,495,749	168,102,506

**SONAM CLOCK LTD.**

<b>8</b>	Deferred Tax Liability Comprise of the following	<b>2020-21</b>	<b>2019-20</b>
a)	Deferred tax liabilities		
	Related to Fixed Assets	<u>13,263,907</u>	<u>10,932,886</u>
		<u>13,263,907</u>	<u>10,932,886</u>
b)	Deferred tax assets		
	Related to Gratuity	<u>933,096</u>	<u>626,004</u>
		<u>933,096</u>	<u>626,004</u>
	Deferred Tax Liability / (Assets) {Net} (a-b)	<u>12,330,811</u>	<u>10,306,882</u>
<b>9</b>	Earning Per Share	<b>2020-21</b>	<b>2019-20</b>
	(Amt Rs. in Lacs unless otherwise stated)		
	<b>Continuing &amp; Total Operations</b>		
	Net Profit after tax (PAT)	33,234,525	28,521,584
	Net Profit available to equity share holders	A 33,234,525	28,521,584
	Add: Exceptional & Extra-Ordinary Items (Net of Taxes)	262,500	-
	Net Profit Before Exceptional & Extra-Ordinary items	B 33,497,025	28,521,584
	Weighted Nos. of Equity Shares used as denominated for calculating the Basic EPS after issue of Bonus Shares		
		C 10,008,000	10,008,000
	Basic EPS Before Exceptional & Extra-Ordinary items (Amt. in Rs.)	(A/C) 3.35	2.85
	Basic EPS After Exceptional & Extra-Ordinary items (Amt. in Rs.)	(B/C) 3.32	2.85

**10 Disclosure under Accounting Standard - 15 (Revised) on 'Post Employment Benefits'**

(Amt. Rs.)

**Gratuity Benefits**

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (Last drawn salary) for each completed year of service.

The following table summarizes the component of net benefit expenses recognized in Statement of Profit & Loss.

**(I) Changes in the present value of the defined benefit gratuity plan are as follows:**

Particulars	2020-21	2019-20
Opening defined benefit obligation	2,487,300	1,742,430
Interest Cost	136,802	104,546
Current Service Cost	973,664	801,371
Benefit Paid	-	-
Actuarial (Gain) / Losses on obligation	109,705	(161,047)
Closed Defined benefit obligation	3,707,471	2,487,300
Particulars	2020-21	2019-20
Defined benefit obligation (A)	3,707,471	2,487,300
Fair Value of plan asset (B)	-	-
Present value of Unfunded obligation (C=A-B)	3,707,471	2,487,300
Less: Unrecognized past service Cost (D)	-	-
Plan Asset/ (Liability) (E=D-C)	(3,707,471)	(2,487,300)

**(III) Net Employee Benefit expenses in Profit & Loss Account**

Particulars	2020-21	2019-20
Current Service Cost	973,664	801,371
Interest Cost on benefit obligation	136,802	104,546
Expected return on plan assets	-	-
Net Actuarial (Gain)/Loss recognized in the year	109,705	(161,047)
Past Service Cost	-	-
Net Benefit Expense / (Income)	1,220,171	744,870

**(IV) Amounts for the current and previous periods are as follows:**

Particulars	2020-21	2019-20
Defined Benefit obligation	3,707,471	2,487,300
Plan Assets	-	-
Surplus / (Deficit)	(3,707,471)	(2,487,300)
Experience adjustments on Plan Liabilities	-	-
Experience adjustments on Plan Assets	-	-

**(V) The principal assumption used in determining the defined benefit gratuity plan obligations are shown below.**

Particulars	2020-21	2019-20
Retirement Age to be Assumed at	60 Years	60 Years
Rate of Discounting	5.50% p.a.	6.00% p.a.
Future Salary rise	5.00% p.a.	5.00% p.a.
Withdrawal Rate		
For 18 to 30 Years p.a.	25.00% p.a.	25.00% p.a.
For 30 to 44 Years p.a.	25.00% p.a.	25.00% p.a.
For 44 to 60 Years p.a.	25.00% p.a.	25.00% p.a.
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Gratuity Limit (Rs. in Lacs)	20.00	20.00

The estimated future salary increases, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



**SONAM CLOCK LTD.**

**11 Segment Information:-**

In accordance with Accounting Standard-17 – “Segment Reporting” issued by the Institute of Chartered Accountants of India, the Company has identified its business segment as “Manufacturing & Sale of Horological items, Clocks, Clock Movements and related items”. There are no other primary reportable segments. The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable.

**12 Related Party Disclosures:**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosure of the transactions with the related parties as defined in the Accounting Standard are given :

**a. List of Related Parties along with relationship and Transactions :-**

**Key Management Personnel**

Jayeshbhai C. Shah, Managing Director  
 Deepaben J. Shah, Whole Time Director  
 Jigar Dipakbhai Mehta, Independent Director  
 Shreyansh Vijaybhai Vora, Independent Director  
 Rutvi J Shah, Director  
 Minaxi Taladiya, CS  
 Milankumar Ganatra, CS  
 Amitbhai Jamnadas Vaghajiyani, CFO  
 Jatin Shashikant Movani, Production Head  
 Samir Champaklal Doshi, Marketing Head

**HUF of Director / Shareholder**

Jayeshbhai C. Shah (HUF)

**Companies / Entities owned / significantly influenced by directors**

Rutvi Enterprise  
 Shree Ansuyaben Chhabildas Shah Charitable Trust

**Companies / Entities owned / significantly influenced by relatives of directors**

Sonam Tradelink LLP

**b. Related Party Transactions**

**Key Management Personnel & Shareholder**

Amt. (Rs. in Lacs)

Name of Related Parties	Transaction	2020-21	2019-20
<b>Transactions</b>			
Jayeshbhai C. Shah	Loans & Advances Received	1,247.00	1,194.00
Deepaben J. Shah	Loans & Advances Received	-	145.00
Jayeshbhai C. Shah	Loans & Advances Repaid	1,090.00	1,190.00
Deepaben J. Shah	Loans & Advances Repaid	-	150.00
Jayeshbhai C. Shah	Advances Given for Purchase of Land	182.86	-
Deepaben J. Shah	Advances Given for Purchase of Land	182.86	-
Jayeshbhai C. Shah	Directors' Remuneration	-	84.00
Deepaben J. Shah	Directors' Remuneration	-	60.00
Rutvi J Shah	Directors' Remuneration	1.50	6.00
Jigar Dipakbhai Mehta	Director Sitting Fees	0.12	0.15
Shreyansh Vijaybhai Vora	Director Sitting Fees	0.12	0.15
Amitbhai Jamnadas Vaghajiyani	Salary	6.00	6.00
Jatin Shashikant Movani	Salary	-	6.00
Samir Champaklal Doshi	Salary	4.80	4.80
Minaxi Taladiya	Salary	-	1.80
Milankumar Ganatra	Salary	2.40	0.40
Shree Ansuyaben Chhabildas Shah Charitable Trust	Donation / CSR	10.00	11.00
Jayeshbhai C. Shah	Interest Paid	-	16.30
Deepaben J. Shah	Interest Paid	-	1.35
Jayeshbhai C. Shah	Rent Paid	0.06	0.06
Deepaben J. Shah	Rent Paid	0.06	0.06
<b>Closing Balances Dr/(Cr)</b>			
Jayeshbhai C. Shah	For Loan Liability	(186.00)	(29.00)
Deepaben J. Shah	For Loan Liability	-	-
Jayeshbhai C. Shah	Advances Given for Purchase of Land	182.86	-
Deepaben J. Shah	Advances Given for Purchase of Land	182.86	-
Jayeshbhai C. Shah	For Interest Rent & Directors' Remuneration Payable	-	(4.84)
Deepaben J. Shah	For Interest Rent & Directors' Remuneration Payable	-	(3.56)
Rutvi J Shah	For Directors' Remuneration Payable	-	(0.40)
Milankumar Ganatra	For Salary Payable	(0.20)	(0.20)
Amitbhai Jamnadas Vaghajiyani	For Salary Payable	(0.50)	(0.50)
Jatin Shashikant Movani	For Salary Payable	-	(0.50)
Samir Champaklal Doshi	For Salary Payable	(0.40)	(0.40)

**SONAM CLOCK LTD.**

**Companies / Entities owned / significantly influenced by Directors**

Name of Related Parties	Transaction	Amt. (Rs. in Lacs)	
		2020-21	2019-20
<b>Transactions</b>			
Rutvi Enterprise	Purchases of Goods (Incl. Taxes)	-	277.76
Rutvi Enterprise	Purchases of Assets	-	5.00
<b>Closing Balances Dr/(Cr)</b>			
Rutvi Enterprise	Advance to Suppliers / (Trade Payables)	-	-

**Companies / Entities owned / significantly influenced by relatives of directors**

Name of Related Parties	Transaction	Amt. (Rs. in Lacs)	
		2020-21	2019-20
Sonam Tradelink LLP	Sales (Net) (Incl. Taxes)	133.20	206.04
Sonam Tradelink LLP	Purchase (Incl. taxes)	5.77	3.00
Sonam Tradelink LLP	Commission Exp (Incl. Tax)	6.58	10.31
<b>Closing Balances Dr/(Cr)</b>			
Sonam Tradelink LLP	Trade Receivables	96.20	111.26

- 13 The company has taken certain premises, godown & land under cancelable operating leases. The total rental expenses under cancelable operating lease during the year was Rs. 0.12 Lacs (Rs. 0.12 Lacs)
- 14 The company has not received information regarding status of suppliers under the 'Micro, Small and Medium Enterprise Development Act, 2006', if applicable, hence the details related to the same has not been furnished.

Contingent Liabilities*	Amt. Rs. in Lacs	
	2020-21	2019-20
(i) Outstanding LC / BG		
LC Outstanding	69.86	-
(ii) Pending Litigations:		
Central Excise Matters under dispute & under adjudication	35.01	35.01
Value Added Tax (VAT) Matters under dispute & under adjudication	130.31	130.31

\* Contingent liability produced here in above on the basis of information compiled by the management of the company

**16 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR Committee has been formed by the company as per the Companies Act, 2013.

- (a) Gross amount required to be spent by the company during the year was Rs. 7,07,828 (Provision For Financial Year FY 2019-20)

- (b) Amount Spent during the year:

Sr. No.	Particulars	In Cash / Bank	Yet to be paid in Cash / Bank	Total
(i)	Construction/Acquisition of any Assets	-	-	-
(ii)	On Purposes other than (i) above	707,828	-	707,828

- 17 The outbreak of corona virus (Covid-19) pandemic globally and in India caused with significant disturbance and slowdown of economic activity. The Company's Operations at the plant disturbed due to different waves of the Covid. However, the company is managing the situation in best possible manner. The company is into the business of "Manufacturing & Sale of Horological items, Clocks, Clock Movements and related items". The company has evaluated impact of this pandemic on its business operations. Based on the review and current indicators of future economic conditions, as on current date, the Company has concluded that the impact of Covid-19 may not be material based on estimates, on long term impact basis. Due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.
- 18 In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets and loans and advances are approximately of the same value as stated.
- 19 Balances of Trade Payables, Unsecured Loans, Trade Receivables, Long-term and Short-term Loans & Advances, other current liabilities and other current assets and Non-Current Investments are subject to the confirmation of the parties concerned. Wherever confirmation of the parties for the amounts due to them / amounts due from them as per books of accounts are not received, necessary adjustments, if any, will be made when the accounts are reconciled / settled.
- 20 Wherever no vouchers and documentary evidences were made available for our verification, we have relied on the authentication given by management of the company.
- 21 Figures have been rounded off to nearest rupee and have been regrouped, rearranged and reclassified wherever necessary.

Signature to Notes 1 to 24

As per our attached report of even date

**For, SVK & Associates**  
Chartered Accountants  
Firm No. - 118564W

Sd/-

**CA. Shilpang V. Karia**  
Partner  
M. No. - 102114  
UDIN: 21102114AAAAHA1607

For and on behalf of the Board

**For SONAM CLOCK LTD.**

Sd/-

**Jayeshbhai C. Shah**  
Chairman & MD  
DIN : 00500814

Sd/-

**Amitbhai J. Vaghjiyani**  
Chief Financial Officer

**Deepaben J. Shah**  
Whole Time Director  
DIN : 01981533

Sd/-

**Milankumar Ganatra**  
Company Secretary

Place : Morbi  
Date : 26th June, 2021

Place : Morbi  
Date : 26th June, 2021