

**"Reliability
in Motion,
Belts that
Inspire Trust!"**



23RD ANNUAL REPORT 2022-2023



SOMI CONVEYOR BELTINGS LIMITED

CIN: L25192RJ2000PLC016480

**"Harnessing Efficiency,
Redefining Conveyance!"**



Board of Directors

Mr. Mahendra Rakhecha - Chairman & Independent Director (Non-Executive)
Mr. Om Prakash Bhansali - Managing Director
Mr. Vimal Bhansali – Whole Time Director
Mr. Gaurav Bhansali – Whole Time Director
Mr. Yogesh Maheshwari – Independent Director (Non-Executive)
Mr. Santosh Kumar Joshi – Independent Director (Non-Executive)
Ms. Saraswati Choudhary – Independent Director (Non-Executive)
Ms. Payal Daga – Non-Independent Woman Director (Non-Executive)

Company Secretary

Mr. Amit Baxi

Chief Financial Officer

Mr. Manish Bohra

Statutory Auditors

M/s. Singhvi & Mehta, Chartered Accountants, Jodhpur

Bankers

Punjab National Bank, Pal Road Branch, Jodhpur, Rajasthan

Registered Office

4 F-15, “Oliver House”, New Power House Road, Jodhpur-342003
Web: www.somiinvestor.com; Email: md@somiconveyor.com

Manufacturing Units

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

Listed At

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

Registrar And Transfer Agent

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

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NOTICE

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the members of the Company will be held on **Saturday, 30th September, 2023** at 11:30 A.M at its registered office at 4F-15, "Oliver House", New Power House Road, Jodhpur - 342003, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended **31st March, 2023**, together with the Reports of the Board of Director's and the Auditor's thereon.

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

RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To appoint a Director in place of Mrs. Payal Daga, (DIN: 07134985) who retires by rotation and, being eligible, offers herself for re-appointment.

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

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Payal Daga, (DIN: 07134985) who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

Special Business:

3. Increase in Remuneration of Mr. Om Prakash Bhansali, Managing Director

To consider and, thought fit, to pass with or without modification the following resolutions as Special Resolution:

"RESOLVED THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') read with Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members of the Company, be and is hereby accorded for increase in remuneration of Mr. Om Prakash Bhansali (DIN: 00351846), Managing Director of the Company with effect from 1st October, 2023 to the extent of Rs.2,95,000/- (Rupees Two Lakh Ninety Five Thousand) per month including HRA, Perquisites and Bonus which is in excess of prescribed limit of 5% of the net profits of the Company computed in accordance with Section 198

of the Act, in any financial year(s) during his remaining tenure as the Managing Director of the Company;

RESOLVED FURTHER THAT the total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year may exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors may exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

RESOLVED FURTHER THAT any of the directors of the company be and are hereby authorized to do all other acts, deeds and things as may be necessary to give effect to this resolution.

4. Increase in Remuneration of Mr. Vimal Bhansali, Whole-Time Director

To consider and, thought fit, to pass with or without modification the following resolutions as Special Resolution:

“RESOLVED THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members of the Company, be and is hereby accorded for increase in remuneration of Mr. Vimal Bhansali (DIN: 00351851), Whole-Time Director of the Company with effect from 1st October, 2023 to the extent of Rs.2,40,000/- (Rupees Two Lakh Forty Thousand) per month including HRA, Perquisites and Bonus which is in excess of prescribed limit of 5% of the net profits of the Company computed in accordance with Section 198 of the Act, in any financial year(s) during his remaining tenure as the Whole-Time Director of the Company;

RESOLVED FURTHER THAT the total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year may exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors may exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

RESOLVED FURTHER THAT any of the directors of the company be and are hereby authorized to do all other acts, deeds and things as may be necessary to give effect to this resolution.

5. Increase in Remuneration of Mr. Gaurav Bhansali, Whole-Time Director

To consider and, thought fit, to pass with or without modification the following resolutions as Special Resolution:

“RESOLVED THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board

of Directors of the Company, the approval of the members of the Company, be and is hereby accorded for increase in remuneration of Mr. Gaurav Bhansali (DIN: 00351860), Whole Time Director of the Company with effect from 1st October, 2023 to the extent of Rs.2,40,000/- (Rupees Two Lakh Forty Thousand) per month including HRA, Perquisites and Bonus which is in excess of prescribed limit of 5% of the net profits of the Company computed in accordance with Section 198 of the Act, in any financial year(s) during his remaining tenure as the Whole-Time Director of the Company;

RESOLVED FURTHER THAT the total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year may exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors may exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

RESOLVED FURTHER THAT any of the directors of the company be and are hereby authorized to do all other acts, deeds and things as may be necessary to give effect to this resolution.

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

SD/-
(**AMIT BAXI**)
Company Secretary

Place: Jodhpur
Date: 4th September, 2023

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
 - a) As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company carrying voting rights.
 - b) Provided that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
 - c) If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
 - d) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
 - e) A Proxy form is annexed to this Report, Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as may be applicable.
2. A shareholder or his proxy will be required to produce at the entrance of the Meeting Hall, the Attendance Slip sent herewith duly completed and signed. Neither photocopies nor torn/mutilated Attendance Slips will be accepted. The Validity of the Attendance Slip will, however, be subject to the Shareholder continuing to hold shares on the date of meeting.
3. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
4. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business under Item No. 3 to 5 be transacted at the Annual General Meeting ('AGM') is annexed hereto.
5. In terms of Section 152 of the Act, Mrs. Payal Daga (DIN: 07134985) Director of the Company, retires by rotation at the AGM and being eligible, offers herself for re-appointment.
6. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM, forms integral part of the Notice.

BOOK CLOSURE:

7. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 24th September, 2023 to Saturday, 30th September, 2023 (both days inclusive) for annual closing.

DIVIDEND:

8. Members who have not encashed their dividend warrants for the dividends declared for the financial years 2015-16 and 2017-18 are requested to send a letter along with unclaimed dividend warrant, if any, or letter of undertaking for issue of duplicate dividend warrant/demand draft.
9. In terms of Section 124 of the Act, Final dividend declared for the financial year 2015-16 will be due for transfer to the Investor Education and Protection Fund (IEPF) (established by the Central Government) in November, 2023, as the same would remain unpaid for a period of seven years from the due date of payment. Members are requested to en-cash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.
10. Attention of Members is invited to the provisions of Section 124(6) of the Act read with IEPF Rules, as amended from time to time, which inter alia requires the Company to transfer the equity shares in respect of which the dividend has remained unpaid or unclaimed for a continuous period of seven years, to a Demat account of the Authority to be opened by the Investor Education and Protection Fund Authority ('IEPF Authority'). The said shares, once transferred to the said Demat account of the IEPF Authority can be claimed only after following the procedure prescribed under the said IEPF Rules.
11. The unclaimed dividend for the Financial Year 2015-16 and 2017-18 must be claimed as early as possible falling which it would be transferred to IEPF as per the(tentative) dates mentioned herein below:

Financial Year ended	Due Date of Transfer
31.03.2016	16.11.2023
31.03.2018	27.11.2025

Therefore, members are requested to claim their unpaid dividend pertaining to the financial year 2015-16 and 2017-18 as soon as possible, so that shares in respect of which the dividend is pending are not transferred to the Demat Account of IEPF authority at appropriate date.

12. The details of the unclaimed dividends are available on the Company's website at www.somiinvestor.com and Ministry of Corporate Affairs at www.mca.gov.in
13. It is in the Members interest to claim any un-encashed dividends and for future, opt for National Electronic Clearance System (NECS)/ National Automated Clearing House (NACH), so that dividends paid by the Company are credited to the investor's account on time.
14. SEBI vide its Circular dated 3rd November, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form are requested to submit their PAN, KYC details and Nomination details by sending a duly filled and signed Form ISR-1 to Universal Capital Securities Pvt. Ltd at C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083 or by email to info@unisec.in.com from their registered email id.
15. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13, which is available on the website of the Company. Further, SEBI vide its Circular dated 3rd November, 2021 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for the Nomination.

16. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission; Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the Format which is available on the website of the Company's Registrar and Transfer Agent, Universal Capital Securities Pvt. Ltd. at <https://www.unisec.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant. Members can contact Universal Capital Securities Pvt. Ltd. for assistance in this regard.
17. Documents referred to in the Notice are open for Inspection at the Registered Office of the Company on all working days between 11:00 AM to 1:00 Noon up to the date of Annual General Meeting and will also be available for inspection at the meeting.
18. Universal Capital Securities Pvt. Ltd. is our Registrar and Share Transfer Agent. All the investor related communication may be addressed to them at their following address:

UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED

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

Tel : +91 22 28207203-05, 49186178-79 Fax : +91 22 28207207

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING ANNUAL REPORT:

19. In accordance with, the General Circular Nos. 20/2020 dated 5 May 2020, 19/20 dated 12 December 2021 and 21/2021 dated 14 December 2021 and 10/2022 dated 28 December 2022 issued by MCA, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the company or the Depository Participant(s). Physical copy of the Notice of the 23rd AGM along with Integrated Annual Report for the Financial Year (FY) 2022-23 shall be sent to those Members who request for the same.
20. The Notice of AGM along with Annual Report for the financial year 2022-23, will also be available on the Company's website at <https://www.somiinvestor.com>, website of CDSL i.e. www.evotingindia.com and on websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
21. Members holding shares in physical form and who have not updated their e-mail ids with the Company are requested to update their e-mail ids by writing to the Company at md@somiconveyor.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the Permanent Account Number (PAN) card, and self-attested copy of any document (eg.: Driving License, Voter Identity card, Passport, Aadhaar card) in support of the address of the Member. Members holding shares in dematerialised (demat) mode are requested to register/update their e-mail id with the relevant DPs. In case of any queries/difficulties in registering the e-mail id, Members may write to md@somiconveyor.com.

PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:

22. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by e-voting. They shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. **The instructions for e-voting are annexed to the Notice.**
23. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2023.
24. **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 23, 2023 only shall be entitled to avail the facility of remote e-voting / through Poll Paper at the Annual General Meeting.**

The instructions for members voting electronically are as under:

- (i) The remote e-voting period commences on Wednesday, 27th September, 2023 at 9:00 am and ends on Friday, 29th September, 2023 at 5:00 pm. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2023 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company

	name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

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

For Physical shareholders and other than individual shareholders holding shares in Demat.	
Permanent Account Number (PAN*)	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	<ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).

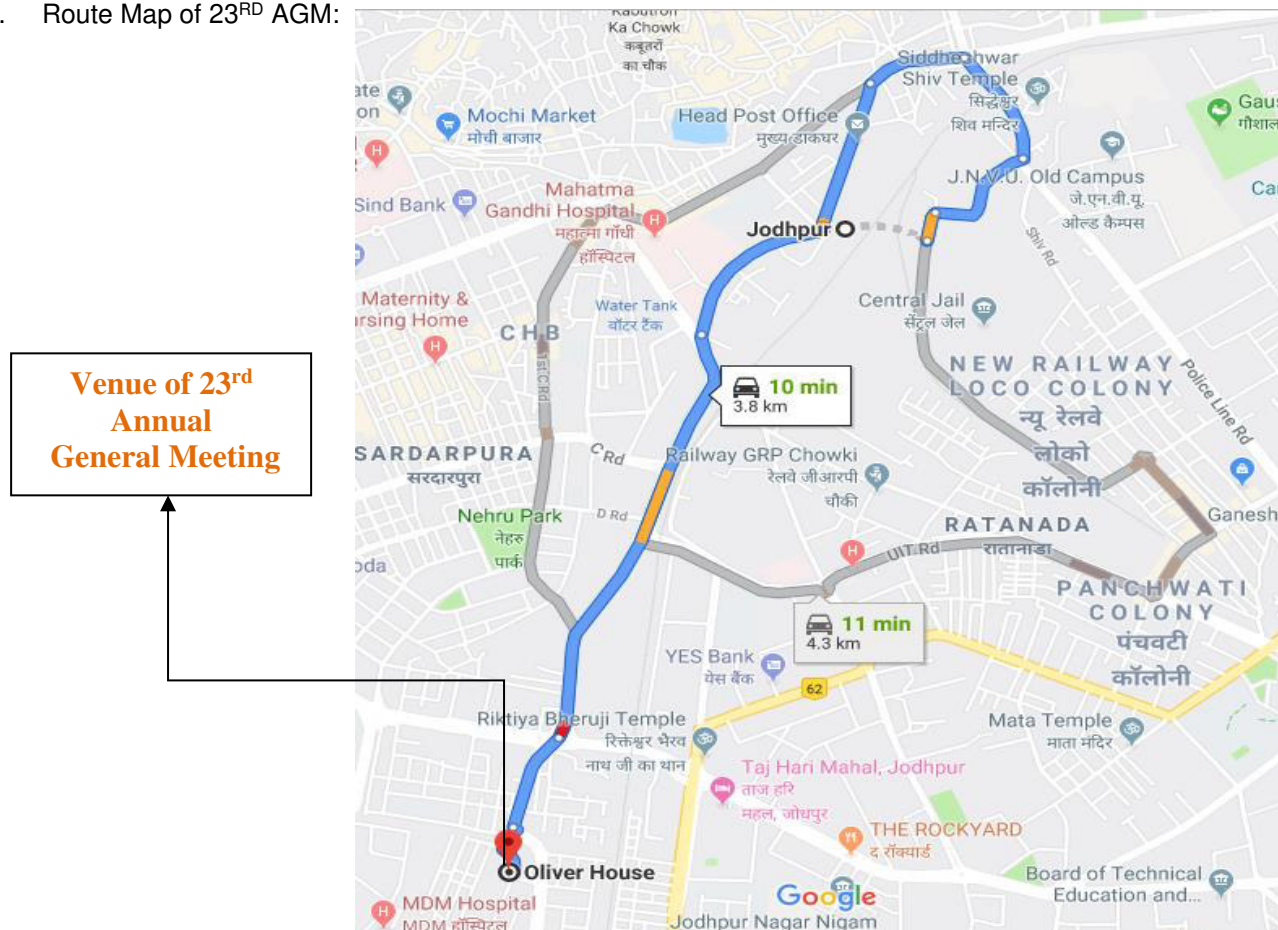
- (vii) After entering these details appropriately, click on SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN) of SOMI CONVEYOR BELTINGS LIMITED to vote.
- (xi) On the voting page, you will see ‘RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If a Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non-Individual Shareholders and Custodians:**
 - a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - b) Institutional shareholders should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) Institutional shareholders should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian. if any, in PDF Format in the system for the scrutinizer to verify the same.
 - f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address md@somiconveyor.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
25. The Board of Directors the Company has appointed Mrs. Ira Baxi (FCS: 5456; PCS: 4712), Practising Company Secretary to act as the Scrutinizer to scrutinize for remote e-voting process and Voting through Poll taking place at the 23rd Annual General Meeting of the Company in a fair and transparent manner. She has communicated her willingness to be appointed and will be available for same purpose.
26. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.
27. The Results shall be declared after the receipt of the Scrutinizer's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sominvestor.com. The results shall also be immediately forwarded to the stock exchanges BSE Limited and NSE of India Limited.
28. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.
- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - b) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 - c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

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

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

29. To ensure correct identity of the members for the smooth conduct of the Annual General Meeting, each Member and Proxy Holder attending the meeting is requested to bring with him/her an appropriate photo ID document like a Driving License, Aadhaar Card, Passport or Voter ID Card.
30. As per section 118(10) of the Companies Act, 2013, read with the Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India, "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members in connection with the meeting".
31. Route Map of 23RD AGM:



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

SD/-
(AMIT BAXI)
Company Secretary

Place: Jodhpur
Date: 4th September, 2023

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

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

As required by Section 102 (1) of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under item no.3, 4 & 5 of the accompanying notice dated 4th September, 2023:

Item No. 3

Pursuant to Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together.

Mr. Om Prakash Bhansali, is the director of the company since Incorporation. He has done the onerous job with enormous responsibility for giving efficient direction to the company. Apart from above he is controlling very successfully the production, administrative, finance and sales activities boosting results over last few years.

Keeping in view of the increased responsibilities and challenges involved and based on the recommendation of Nomination and Remuneration Committee, it is proposed to pay remuneration to the extent of Rs. 2,95,000/- per month including HRA, Perquisites and Bonus with effect from 1st October 2023, which is in accordance with norms laid down in Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder.

The provision of the Companies Act, 2013 requires the Company to seek the approval of the members for increase in remuneration package of Mr. Om Prakash Bhansali. Hence a special resolution is proposed for your consideration and approval.

Mr. Om Prakash Bhansali is interested in the above resolution and is related with Mr. Vimal Bhansali and Mr. Gaurav Bhansali who are Whole-Time Directors and Shareholders of the Company. He is father of Mr. Vimal Bhansali and Gaurav Bhansali. He is husband of Mrs. Om Kumari Bhansali, who is one of the major shareholders of the Company. He is father in law of Mrs. Ruchi Bhansali and Mrs. Priya Bhansali who are promoters & shareholders of the Company.

Apart from above, None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the above resolution except by way of shareholding if any.

Item No. 4

Pursuant to Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the

Company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together.

Mr. Vimal Bhansali, is the director of the company since Incorporation. He also has done the onerous job with enormous responsibility for giving efficient direction to the company. He is controlling the sales activities boosting results of the company over last few years.

Keeping in view of the increased responsibilities and challenges involved and based on the recommendation of Nomination and Remuneration Committee, it is proposed to pay remuneration to the extent of Rs. 2,40,000/- per month including HRA, Perquisites and Bonus with effect from 1st October 2023, which is in accordance with norms laid down in Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder.

The provision of the Companies Act, 2013 requires the Company to seek the approval of the members for increase in remuneration package of Mr. Vimal Bhansali. Hence a special resolution is proposed for your consideration and approval.

Mr. Vimal Bhansali is interested in the above resolution and is related with Mr. Om Prakash Bhansali who is Managing Director of the Company. He is son of Mr. Om Prakash Bhansali. He is brother of Mr. Gaurav Bhansali, who is one of the Whole-Time Director of the Company. He is son of Mrs. Om Kumari Bhansali, who is a major shareholder of the Company. He is husband of Mrs. Priya Bhansali who is promoter & shareholder of the Company. Mrs. Ruchi Bhansali who is one of the promoter & shareholder of the Company is also related to him as she is his brother's wife.

Apart from above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the above resolution except by way of shareholding if any.

Item No. 5

Pursuant to Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together.

Mr. Gaurav Bhansali, is also a promoter director of the company since Incorporation. He looks after the production. Apart from above he is controlling very successfully the production activities of the company.

Keeping in view of the increased responsibilities and challenges involved and based on the recommendation of Nomination and Remuneration Committee, it is proposed to pay remuneration to the extent of Rs. 2,40,000/- per month including HRA, Perquisites and Bonus with effect from 1st October 2023, which is in accordance with norms laid down in Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder.

The provision of the Companies Act, 2013 requires the Company to seek the approval of the members for increase in remuneration package of Mr. Gaurav Bhansali as mentioned in the special resolution. Hence a special resolution is proposed for your consideration and approval.

Mr. Gaurav Bhansali is interested in the above resolution and is related with Mr. Om Prakash Bhansali who is Managing Director of the Company. He is son of Mr. Om Prakash Bhansali. He is brother of Mr. Vimal Bhansali, who is one of the Whole-Time Directors of the Company. He is son of Mrs. Om Kumari Bhansali, who is a major shareholder of the Company. He is husband of Mrs. Ruchi Bhansali who is promoter & shareholder of the Company. Mrs. Priya Bhansali who is one of the promoter & shareholder of the Company is also related to him as she is his brother's wife.

Apart from above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the above resolution except by way of shareholding if any.

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

SD/-
(**AMIT BAXI**)
Company Secretary

Place: Jodhpur
Date: 4th September, 2023

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

APPENDIX TO ANNUAL GENERAL MEETING NOTICE

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

Name of Director	Mrs. Payal Daga
Director Identification Number (DIN)	07134985
Date of Birth and Age	09/10/1980 – 41 Years
Nationality	Indian
Date of first appointment on the Board	30/09/2022
Qualifications	Post Graduation in Commerce
Brief resume, experience and Nature of expertise in specific functional areas.	11 Years of Experience in Administration
Directorships held in other Listed Companies	NIL
Membership of Board Committees in other Public Limited Companies	NIL
Shareholding in the Company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No relation
Other Information	Non-Executive Non-Independent Woman Director
Remarks	Seeks Re-Appointment as Non-Executive Non-Independent Woman Director liable to retire by rotation

2. Statement of information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 with reference to the resolution at Item No. 3,4 & 5 of the Notice:

I. General Information		
1.	Nature of Industry	The Company is engaged in the manufacture and sale of Industrial Conveyor Belts
2.	Date or expected date of commencement of commercial production	The Company is already into commercial production of above product since year 2000.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Not Applicable

4.	Financial performance based on given indicators (In Lakhs)			
	Financial Parameters	FY 2022-23	FY 2021-22	FY 2020-21
	Revenue	9369.57	5713.85	4679.27
	Profit/(Loss) before Tax	427.46	257.23	235.39
	Profit/(Loss) after Tax	346.81	171.58	176.12
	Dividend paid/recommended (including Corporate Dividend Tax)	NIL	NIL	NIL
	Dividend Rate %	NIL	NIL	NIL
5.	Foreign investments or collaborators, if any	Not Applicable		

II. Information about Directors				
S No		Name of Directors		
		Om Prakash Bhansali	Vimal Bhansali	Gaurav Bhansali
1.	Background details	Mr. Om Prakash Bhansali is a Science Graduate and has 47 years experience in rubber and conveyor belt manufacturing industry. Apart from above he is controlling the production, administrative, finance and sales activities of the Company.	Mr. Vimal Bhansali is a Management Graduate with Specialization in Marketing and has 23 Years experience in Manufacturing and Marketing of Conveyor Belts.	Mr. Gaurav Bhansali possesses Master's degree in Commerce and has 22 years experience in Manufacturing and marketing of Conveyor Belts & rubber production.
2.	Past remuneration	2,70,000/-	2,15,000/-	2,15,000/-
3.	Recognition or Awards	NIL	NIL	NIL
4.	Job Profile and Suitability	Mr. Om Prakash Bhansali is the Managing Director and is responsible for all the day to day operations of the Company subject to the superintendence and control of the Board of Directors of the Company. He has	Mr. Vimal Bhansali is the Executive Director and his past experience in managing overall business as well as expertise in marketing is considered relevant and valuable for his responsibilities as the	Mr. Gaurav Bhansali is the Executive Director, has done the onerous job in controlling the production activity of the Company.

		also been assigned with the responsibility for implementing the expansion plans of the Company.	Executive Director of the Company.	
5.	Remuneration proposed	2,95,000/- per month w.e.f. 1st October, 2023	2,40,000/- per month w.e.f. 1st October, 2023	2,40,000/- per month w.e.f. 1st October, 2023
6.	Comparative Remuneration profile with respect to Industry, size of the Company, profile of the position and the person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed to be paid to the Managing Director is very less as compared with the remuneration being paid for similar assignments in the industry.	The remuneration proposed to be paid to the Whole-Time Director is very less as compared with the remuneration being paid for similar assignments in the industry.	The remuneration proposed to be paid to the Whole-Time Director is very less as compared with the remuneration being paid for similar assignments in the industry.
7.	Pecuniary Relationship directly or indirectly with the Company or relationship with the managerial Personnel, if any	Mr. Om Prakash Bhansali is drawing his remuneration in the capacity of Managing Director of the Company and both the Whole time Directors' i.e Mr. Vimal Bhansali and Mr. Gaurav Bhansali are related to Mr. Om Prakash Bhansali as they are sons of Mr. Om Prakash Bhansali.	Mr. Vimal Bhansali is drawing his remuneration in the capacity of Whole-Time Director of the Company. Mr. Om Prakash Bhansali and Mr. Gaurav Bhansali are related to Mr. Vimal Bhansali as Mr. Om Prakash Bhansali is his father and Mr. Gaurav Bhansali is his brother.	Mr. Gaurav Bhansali is drawing his remuneration in the capacity of Whole-Time Director of the Company. Mr. Om Prakash Bhansali and Mr. Vimal Bhansali are related to Mr. Gaurav Bhansali as Mr. Om Prakash Bhansali is his father and Mr. Vimal Bhansali is his brother.

III. Other Information

1.	Reasons of loss or inadequate profits	} Not Applicable
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measurable terms	

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

SD/-
(AMIT BAXI)
Company Secretary

OM BHANSALI GROUP



SOMI CONVEYOR BELTINGS LIMITED

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

CIN: L25192RJ2000PLC016480; Email: md@somiconveyor.com;

Website: www.somiinvestor.com; Ph. No.: 0291-2765400 to 09

PROXY FORM

[FORM MGT-11]

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

23RD ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2023

CIN: L25192RJ2000PLC016480

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

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

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name: Address:

E-mail Id: Signature:..... or failing him

2. Name: Address:

E-mail Id: Signature:.....or failing him

3. Name: Address:

E-mail Id: Signature:..... or failing him

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY THIRD ANNUAL GENERAL MEETING of the company, to be held on the Saturday 30th day of September, 2023 at 11:30 A.M. at 4F-15, "Oliver House" New Power House Road, Jodhpur-342003 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements for the Year ended 31st March, 2023, Auditors' and Directors' Report thereon.
2. Re-appointment of Mrs. Payal Daga as Director who is liable to Retire by Rotation.

SPECIAL BUSINESS

3. Increase in Remuneration Package of Mr. Om Prakash Bhansali, Managing Director.
4. Increase in Remuneration Package of Mr. Vimal Bhansali, Whole-Time Director.
5. Increase in Remuneration Package of Mr. Gaurav Bhansali, Whole-Time Director.

Signed this day of 20....

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Rs.1
Revenue
Stamp

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



SOMI CONVEYOR BELTINGS LIMITED

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

CIN: L25192RJ2000PLC016480; Email: md@somiconveyor.com

Website: www.somiinvestor.com; Ph. No.: 0291-2765400 to 09

ATTENDANCE SLIP

23RD ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2023

Joint Shareholders may obtain additional Attendance Slip on request.

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

Name & Address of Shareholder:

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

Applicable for Member holding Shares in electronic form

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

I hereby record my presence at the **TWENTY THIRD ANNUAL GENERAL MEETING** of the company on Saturday, September 30, 2023 at 11:30 AM at 4F-15, "Oliver House", New Power House Road, Jodhpur-342003.

Members/Proxy's name in BLOCK Letters

Members/Proxy's Signature

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

Message
from
Shri Om Prakash Bhansali
Managing Director



Dear Stakeholders,

In FY23 we delivered solid operational performance and closed the year with the highest-ever annual revenues in our history. Coupled with a good visibility of new Conveyor Belts orders, we expect to significantly accelerate our revenue growth in FY24 and beyond. The summary of our FY23 financial performance, is shown below:

	(Rs.in Lakhs)
Revenue	9369.57
Earnings before interest, tax, depreciation	727.21
Profit Before Tax	427.46
Profit After Tax attributable to shareholders of the Company	346.81
Total Comprehensive Income for the period attributable to Owners	335.60
Earnings per Share (in Rs.)	2.94

The company has made significant improvements in its supply chain processes to deliver four consecutive quarters of quarter-on-quarter and year-on-year revenue growth during FY23. While continuing with our model of asset-light manufacturing, we have significantly increased our manufacturing capability so that we are well geared to successfully execute on our aggressive growth of orders for FY24 and beyond.

Going forward, we see very strong growth opportunities in the international markets. The recent geopolitical developments have motivated customers to move away from vendors from a certain country, given the security concerns and the need for diversifying their supplier base. This is resulting in large-sized opportunities where we can be a very credible alternative and a source of trusted, reliable, high quality, technically-sound and cost-competitive products. Your company will try and capture this opportunity by leveraging brand and their deep relationships with large global Conveyor Belts providers.

In the past few quarters, we have seen the global economy dealing with inflation, interest rate increases, and changes in demand environment for companies in various industries. Our strength in digital and in automation, along with cost efficiency capabilities have held us in good stead. These will continue to be critical in the evolving economic environment.

We remain committed to the communities we live and operate in. With the work of SCBL, we support a variety of social causes, including creating positive impact in healthcare, education, sustainability, and women empowerment.

As I look ahead, given the trust of our clients, the dedication of our employees, the strength of our capabilities, our One approach, and the guidance of our Board, I remain confident of our ability to serve our clients and continue to create impact for them.

With my warmest regards,

O P BHANSALI
Managing Director

Chairman's Message

Dear Shareholder,

I am filled with pride as I write this brief letter to you, as your Chairman of the Company. As we look forward to the future with optimism, I am extremely grateful to our stakeholders who supported us throughout and continue to place their immense trust in us.

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

As I look back on this year, I am proud of the milestones SCBL has achieved. We have made significant progress in growing our capabilities, accelerating the adoption of technology solutions, and enabling our associates to deliver on our ambitious long-term goals.

Good governance and openness to embracing good industry practices and taking the lead in many areas continue to build the company's strength and have been the hallmark of the year's activity. The relentless focus on large orders and offering design-led manufacturing solutions have resulted in a good order book as we start the year ahead.

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

I wish to thank the Shareholders, Investors, Central and State Governments, Lenders, Suppliers and Customers for their great support during these trying times. I also thank my colleagues on the Board have been a great strength and support to the company and me. Members of the Board have been generous with their time and encouragement to the leadership and management of the company.

With warm regards,

Mahendra Rakhecha
Chairman

DIRECTOR'S REPORT

Dear Members

It is our pleasure to present to you the 23rd Annual Report of your Company together with the Audited Financial Statements for the Financial Year ended March 31, 2023.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year ended March 31, 2023 compared with previous Financial Year is summarised below:

	(Rs. in Lakhs)	
FINANCIAL RESULTS	2022-23	2021-22
Total Sales	9369.57	5713.85
Profit Before Interest, Depreciation and taxation	727.21	584.51
Interest	198.50	229.29
Depreciation	101.25	97.99
Profit Before Tax	427.46	257.23
Provision for Tax	(67.98)	(36.45)
Prior Period Tax	-----	(19.29)
Add/(Less) Deferred Tax	(12.67)	(29.91)
Profit After Tax	346.81	171.58
Other Comprehensive Income	(11.21)	-
Total Comprehensive Income for the year	335.60	171.58

The above mentioned financial performance highlights are an abstract of the Financial Statements of your Company for the Financial Year 2022-23. The detailed Financial Statements of your Company forms part of this Annual Report and are also uploaded on website of your Company i.e. www.somiinvestor.com.

During the Financial Year under review, Company's revenue from operation increased by 63.98% and it stood at **Rs. 9369.57 Lakhs** compared to **Rs. 5713.85 Lakhs** in the previous financial year. The Net Profit after Tax for the financial year amounted to **Rs.346.81 Lakhs** as against **Rs.171.58 Lakhs** in the previous year, resulting in increase in Profits of the Company by 102.13% which is just double of the previous year profits. The Board is confident of higher growth in the financial year 2023-24

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

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

DIVIDEND

In order to conserve the funds for the growth of the Company, the Board of Directors do not recommended any dividend for the year ended 31st March, 2023.

STATE OF THE COMPANY'S AFFAIRS (MANAGEMENT DISCUSSION AND ANALYSIS)

In terms of the provisions of Regulation 34(2) of the Listing Regulations, the Management Discussion and Analysis Report of your Company's affairs for the year under review is attached and forms an integral part of this Annual Report.

TRANSFER TO RESERVE

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

CREDIT RATING

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

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

ANNUAL RETURN

Pursuant to Section 134 (3) (a) of the Act, the draft annual return for Financial Year 2022-23 prepared in accordance with Section 92(3) of the Act is made available on your website of the Company i.e. www.somiinvestor.com.

NUMBER OF MEETINGS OF THE BOARD

Your Company's Board of Directors met 9 (nine) times during the financial year ended March 31, 2023 in accordance with the provisions of the Act and the Rules made thereunder. The meetings were held on 02.05.2022, 30.05.2022, 06.08.2022, 12.08.2022, 03.09.2022, 08.11.2022, 27.12.2022, 14.02.2023 and 18.02.2023 of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act. Detailed information is given in the Corporate Governance Report.

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

COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. During the year under review, all recommendations made by the various committees have been accepted by the Board.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

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

During the financial year 2022-23, following changes took place in the management of the Company:

- Mrs. Surbhi Rathi resigned from the post of Non-Executive Independent Woman Director of the Company w.e.f. 6th August, 2022.
- Mrs. Payal Daga (DIN – 07134985) was appointed as Non-Executive Non-Independent Woman Director on the Board of the Company liable to retire by rotation in the 22nd Annual General Meeting held on September 30, 2022.
- Mr. Om Prakash Bhansali as Managing Director, Mr. Vimal Bhansali and Mr. Gaurav Bhansali as Whole-Time Director were re-appointed for the period of 5 Years w.e.f. September 01, 2022 to August 31, 2027 in the 22nd Annual General Meeting of the Company held on September 30, 2022.
- Mr. Om Prakash Bhansali resigned from the post of Chairman of the Company on 1st October, 2022 and Mr. Mahendra Rakhecha was appointed as Chairman of the Board.
- Mrs. Saraswati Choudhary (DIN – 09835573) was appointed as an Additional Director designated as Independent Director of your Company with effect from December 27, 2022. Further, as per the requirement of Regulation 17(1C) of the Listing Regulations your Company on March 17, 2023 has obtained approval of the shareholders of your Company in the Extra-Ordinary General Meeting for appointment of Mrs. Saraswati Choudhary as an Independent Director of your Company for first consecutive term of 5 years commencing from December 27, 2022 to December 26, 2027 (both days inclusive).

In accordance with the provisions of Section 152 of the Act, Mrs. Payal Daga (DIN – 07134985), Non-Executive Non-Independent Woman Director of your Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. Approval of the Members is being sought at the ensuing Annual General Meeting for her re-appointment and the requisite details in this connection are contained in the Notice convening the meeting.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations, Clause 1.2.5 of the Secretarial Standard are given in the Notice of AGM, forming part of the Annual Report.

Apart from the aforesaid changes, there was no change in Directors and Key Managerial Personnel of your Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of the Familiarisation Programme for Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company at www.somiinvestor.com

PERFORMANCE EVALUATION

In accordance with the Act and Regulation 4(2)(f) of the Listing Regulations, your Company has framed a Policy for Evaluation of Performance of Independent Directors, Board, Committees and other Individual Directors which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. A questionnaire is formulated for evaluation of performance of the Board, its committees and individual Directors, after taking into consideration several aspects such as board composition, strategic orientation, board functioning and team dynamics.

An annual performance evaluation for the financial year 2022-23 was carried out by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings held on March 30, 2023. The questionnaires were circulated to the Board members and the Committee members of the Nomination and Remuneration Committee at the time of performance evaluation conducted at their respective meetings. The Directors and the Committee members then filled-up the questionnaire and rated the Board, its Committees and individual Directors and duly filled questionnaires were handed over to the Company Secretary.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination and Remuneration Committee include ethics and values, knowledge and proficiency, diligence, behavioral traits, efforts for personal development and independence in decision making.

Similarly, performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors of your Company at its separate meeting held on March 30, 2023. Your Directors also expressed their satisfaction with the evaluation process.

TRAINING OF INDEPENDENT DIRECTORS

All Independent Directors are familiarized with your Company, their roles, rights and responsibilities in your Company, nature of the industry in which your Company operates, business model, strategy, operations and functions of your Company through its Executive Directors and Senior Managerial Personnel. The details of programs for familiarization of Independent Directors with your Company are available on the website of your Company www.somiinvestor.com.

DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to Section 134(3)(d) of the Act, your Company confirms having received necessary declarations from all the Independent Directors under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations declaring that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. All the Independent Directors of your Company have complied with the provisions of sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 by registering themselves under data bank of Independent Director. Your Company has also formulated a Code of Conduct for Directors and Senior Management Personnel and has obtained declarations from all the Directors to the effect that they are in compliance with the Code.

MEETING OF INDEPENDENT DIRECTORS

Your Company's Independent Directors meet at least once in every financial year without the presence of the Executive Directors or Management Personnel of your Company and the Meeting is conducted informally. During the year under review, one meeting of Independent Directors was held on March 30, 2023.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability hereby confirm:

- a) that in the preparation of the annual accounts for the financial year ended 31 March 2023, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit or loss of the Company for the year ended on that date;

- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

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

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) of the Company as per Section 2(51) and 203 of the Companies Act, 2013 read with the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

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

During the year, Mr. Om Prakash Bhansali as Managing Director, Mr. Vimal Bhansali and Mr. Gaurav Bhansali as Whole-Time Director were re-appointed for the period of 5 Years w.e.f. September 01, 2022 to August 31, 2027 in the 22nd Annual General Meeting of the Company held on September 30, 2022.

STATUTORY AUDITORS

At the 22nd Annual General Meeting held on September 30, 2022, M/s Singhvi & Mehta, Chartered Accountants (Firm Registration Number 002464W) were reappointed as the Statutory Auditors of your Company for a second term of 5 years commencing from conclusion of the 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting. Also, as per the Companies (Amendment) Act, 2017, provisions of Section 139 of the Act have been amended, wherein, the requirement of ratification of appointment of Statutory Auditors at every AGM has been done away with. Accordingly, appointment of M/s Singhvi & Mehta, Chartered Accountants (Firm Registration Number 002464W) as Statutory Auditors of your Company, will not be placed for ratification by the members in the ensuing Annual General Meeting

REPORT OF STATUTORY AUDITORS

M/s. Singhvi & Mehta, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2022-23, which forms part of the Annual Report 2022-23. The notes on financial statements referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations or comments.

The Auditors' Report does not contain any qualification(s), reservation(s) or adverse remark(s).

SECRETARIAL AUDITOR

In terms of Section 204 of the Act, the Board of Directors of your Company have appointed FCS Ira Baxi (FCS: 5456; CP: 4712), Practicing Company Secretary, Jodhpur as the Secretarial Auditor of your Company to carry out Secretarial Audit for the financial year 2023-24. Your Company has obtained Secretarial Audit Report for the Financial Year 2022- 23 in the prescribed Form MR-3 from FCS Ira Baxi, Practicing Company Secretary, which forms part of the Annual Report and is appended as “**Annexure – I**” to this Report.

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

In addition to the above Secretarial Audit and pursuant to the requirements of Regulation 24A of the Listing Regulations FCS Ira Baxi, Practicing Company Secretary, have also issued to your Company, Annual Secretarial Compliance Report for the financial year 2022-23 confirming compliance of all laws, SEBI Regulations and circulars/ guidelines issued thereunder, applicable to your Company. The Annual Secretarial Compliance Report dated May 17, 2023 issued by M/s. FCS Ira Baxi, Practicing Company Secretary has been submitted to the stock exchanges within 60 days from the financial year ended March 31, 2023.

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

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

MAINTENANCE OF COST AUDIT RECORDS

The company has maintained cost records pursuant to the is applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

SHARE CAPITAL

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS

Pursuant to Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2 is appended as “**Annexure – II**” to this Report.

During the year under Review, your Company had entered into contract(s)/ arrangement(s)/ transaction(s) with related parties which were in ordinary course of business and on arm's length basis and none of which could be considered as material in accordance with the policy of your Company on materiality of related party transactions. Further, none of the contract(s)/ arrangement(s)/transaction(s) with related parties required approval of members as the same were within the limits prescribed under Section 188(1) of the Act and the Rules framed thereunder read with the provisions of Regulation 23(4) of the Listing Regulations.

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

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

Details of transactions with Related Parties for the period 01.04.2022 to 31.03.2023

(Rs. In Lacs)			
Particulars	Nature of Relationship	Name of Related Party	31.03.2023
Sale of Goods	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	137.34
Purchase	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	6.57
Managerial Remuneration	KMP	Om Prakash Bhansali	32.40
		Vimal Bhansali	25.80
		Gaurav Bhansali	25.80
		Manish Bohra	16.07
		Amit Baxi	4.63
Managerial Remuneration	RKMP	Anita Bohra	5.28
Interest Paid	KMP	Om Prakash Bhansali	12.26
		Vimal Bhansali	7.48
Loan Received	KMP	Vimal Bhansali	62.75
Loan Paid	KMP	Om Prakash Bhansali	62.24
		Vimal Bhansali	60.00
		Manish Bohra	4.25
Out Standing Balances:			
Sale of Goods	WHERE RKMP HAS INFLUENCE	Oliver Rubber Ind. LLP.	50.68
Loans Taken	KMP	Vimal Bhansali	127.53
Managerial Remuneration	KMP	Vimal Bhansali	5.41
		Gaurav Bhansali	1.50
		Manish Bohra	1.00

DEPOSIT FROM PUBLIC

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

RISK MANAGEMENT

The foundation of the company's operations revolve around risk management, which includes ensuring that the company has the appropriate risk-return trade-off in line with its risk appetite and working to maximise the profits associated with that risk. The Company has put in place a clear structure for risk management. The enterprise-wide risk management framework operates at a number of levels, and these levels serve as the company's risk management's strategic defensive shield.

The Company has a solid organisational structure for managing and reporting risks, and it proactively identifies, assesses, treats, monitors, and reports risks as well as to create a risk-aware culture within the organisation. It also covers areas exposed to risk, offers a structured process for managing risks, and takes into account the risks that have an impact on the business's mid- to long-term objectives, including reputational risks.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company is committed to highest standards of ethical, moral, compliance and legal conduct of its business. In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standard of responsibility, professionalism, honesty and integrity, the Company has Whistle-Blower Policy in compliance with the provisions of Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI(LODR) Regulations, 2015.

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

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

DISCLOSURE ON CONFIRMATION WITH THE SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013 and that such systems are adequate and operating effectively.

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

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

DISCLOSURE ON ONE TIME SETTLEMENT

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

PREVENTION OF INSIDER TRADING

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

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

INTERNAL FINANCIAL CONTROL

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

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

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

TRANSFERS TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Equity Shares:

Pursuant to the provisions of Section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the equity shares of any Company in respect of which dividend amounts have not been paid or claimed by the shareholders for seven consecutive years or more are required to be transferred to demat account of the Investor Education and Protection Fund Authority (IEPF Account).

Accordingly, the Company had sent individual notice to the members in respect of which dividend amounts have not been paid or claimed by the shareholders for seven consecutive years or more i.e. for the FY 2015-16 and 2017-18 and has also published the notice in the leading English and Hindi newspapers. The details of the members are available on website of your Company i.e. www.somiinvestor.com.

Transfer of Unpaid/Unclaimed Dividend:

Further, pursuant to the provisions of Section 124(5) of the Act, the dividend which remained unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Your Company has uploaded the details of unclaimed/ unpaid dividend for the financial year 2015-16 onwards on its website i.e. www.somiinvestor.com and on website of the Ministry of Corporate Affairs i.e. www.mca.gov.in and the same gets revised/updated from time to time pursuant to the provisions of IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount Lying with Companies) Rules, 2012.

Further, the unpaid final dividend amount pertaining to the financial year 2015-16 will be transferred to IEPF during the Financial Year 2023-24.

CORPORATE SOCIAL RESPONSIBILITY

The goal of the company's CSR programmes is to raise community standards of living while generating long-term benefit for all stakeholders. The corporate social responsibility policy of the company lays out instructions for how those activities should be carried out. The Company implements its corporate social responsibility programmes either independently or in partnership with qualified implementing agencies registered with the Ministry of Corporate Affairs that work closely with public systems and partners. The Company addresses societal challenges through societal development programmes and maintains a focus on improving quality of life.

The company is committed to acting in the best interests of its stakeholders and with a sense of purpose by engaging in socio-economic development, which has always been integral to the company's strategic objectives. Through its Corporate Social Responsibility, the company envisions an enlightened, equitable society in which every individual realises her/his potential with dignity through creating transformative, efficient and lasting solutions to their development challenges. Activities in the areas of education, healthcare, communities, ecology, and the environment are all included in the company's CSR and sustainability programmes and practises.

In pursuance of the Corporate Social Responsibility Policy and in line with the requirement of the Companies Act, 2013, every company has to spend 2% of the average net profits of the Company for the preceding three years towards the Corporate Social Responsibility activities as stated in the Companies Act, 2013. In view of the net profit before tax for the last 3 years remains less than 5 crore based on the computation as per Section 135 of the Companies Act, 2013, there is no obligation or requirement for the Company to make a CSR contribution for the financial year 2022- 2023. The Corporate Social Responsibility policy is available on the Company's website at www.somiinvestor.com. The Annual Report on the CSR activities in the format prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **Annexure-III** to this Report.

CORPORATE GOVERNANCE

The governance structure of the company is centered on principles of openness, honesty, professionalism, and accountability, all of which contribute to the efficient and transparent execution of the company's strategy and the creation of long-term value for its stakeholders, including its shareholders, partners in business, and employees.

Additionally, the Company makes sure that it continuously improves and strictly abides by governance best practises, not only to increase long-term shareholder value but also to protect the rights of the minority. The Company believes that it is its fundamental duty to provide accurate and timely information on the Company's performance, management, and governance.

The shareholders, board, and executive management make up the three tiers of the company's governance structure. It not only promotes enhanced corporate autonomy, performance management, and the growth of business leaders, but also provides higher management accountability and credibility.

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The matters pertaining to industry structure and developments, opportunities and threats, segment-wise/team-wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance are detailed in the Report. The Management Discussion and Analysis report for the year under review and as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in a separate section, forming part of the Annual Report.

SHARE REGISTRY ACTIVITIES

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

LISTING WITH STOCK EXCHANGE

Equity shares of your company continue to remain listed with National Stock Exchange of India Limited and BSE Limited. There are no arrears in payment of listing fees and the stipulated listing fee for financial year 2022-23 has been paid.

DEMATERIALIZATION OF SHARES

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

INSURANCE

Assets of your Company remain adequately insured against various perils.

HEALTH, SAFETY AND ENVIRONMENT

As a firm commitment to Health, Safety and Environment(HSE), the year saw multiple initiatives to implement and review the HSE plans. The Company continued to build on its health, safety and environment(HSE) culture through strategic involvements and initiatives across its value chain. It has an integrated business approach to drive HSE synchronisation across business aspects.

The goal of Hazard identification is to find and record all possible hazards that may be present at workplace and ensuring mitigation or bringing the risk to as low as reasonably possible or acceptable for all routine processes. For non-routine processes, we have Permit to Work system which ensures that adequate measures are taken before initiating any non-routine activity tasks.

- Hazard Identification and Risk Assessment (HIRA) registers.
- Procedure for non-conformity and incident investigation.
- On-Site Emergency Plans.
- Procedure for communication, participation, and consultation.
- Procedure for monitoring and performance management.
- Procedure for operational control.
- Procedure for Permit to Work.

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

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

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

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

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

Non-Executive Directors	Ratio to Median Remuneration
Mr. Mahendra Rakhecha	NIL
Mr. Yogesh Maheshwari	NIL
Ms. Surbhi Rathi	NIL
Ms. Payal Daga	NIL
Mr. Santosh Kumar Joshi	NIL
Ms. Saraswati Choudhary	NIL
Executive Directors	
Mr. Om Prakash Bhansali	10.03:1
Mr. Vimal Bhansali	7.99:1
Mr. Gaurav Bhansali	7.99:1

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

Name of Person	% Increase in remuneration
Mr. Mahendra Rakhecha	NIL
Mr. Yogesh Maheshwari	NIL
Ms. Surbhi Rathi	NIL
Ms. Payal Daga	NIL
Mr. Santosh Kumar Joshi	NIL
Ms. Saraswati Choudhary	NIL
Mr. Om Prakash Bhansali, MD & CEO	NIL
Mr. Vimal Bhansali	NIL
Mr. Gaurav Bhansali	NIL
Mr. Manish Bohra, Chief Financial Officer	8.75%
Mr. Amit Baxi, Company Secretary	5.50%

- (c) the percentage increase in the median remuneration of employees in the financial year: 6.05%
- (d) the number of permanent employees on the rolls of company: 106
- (e) the explanation on the relationship between average increase in remuneration and company performance;
There is no direct relation between the average remuneration of the employees vis-à-vis Company Performance

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

Particulars	Rs.(in lakhs)
Remuneration of Key Managerial Personnel (KMP) during financial year 2022-23 (aggregated)	104.71
Revenue from operations	9369.57
Remuneration (as % of revenue)	1.12%
Profit before tax (PBT)	427.46
Remuneration (as % of PBT)	24.50%

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

Particulars	Unit	As at 31 st Mar 23	As at 31 st Mar 22	Variation
Closing rate of share at BSE	Rs.	36.10	33.15	2.95
Closing rate of share at NSE	Rs.	36.00	33.20	2.80
EPS (Consolidated)	Rs.	2.94	1.46	1.48
Market Capitalization (BSE)	Rs.(in lakhs)	4252.46	3904.96	347.50
Market Capitalization (NSE)	Rs.(in lakhs)	4240.68	3910.85	329.83
Price Earning Ratio (BSE)	Ratio	12.28	22.71	(10.43)
Price Earning Ratio (NSE)	Ratio	12.24	22.74	(10.50)

Figures in brackets represent negative percentage.

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

Average percentile Increase in the salaries of employees other than the managerial personnel is 5.66% which is lower than the percentile increase in the remuneration of managerial personnel.

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

Particulars	Om Prakash Bhansali Managing Director	Vimal Bhansali Whole-Time Director	Gaurav Bhansali Whole-Time Director	Chief Financial Officer	Company Secretary
	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)	Rs.(in lakhs)
Remuneration	32.40	25.80	25.80	16.08	4.64
Revenue	9369.57	9369.57	9369.57	9369.57	9369.57
Remuneration (as % of revenue)	0.35%	0.28%	0.28%	0.17%	0.05%
Profits before tax (PBT)	427.46	427.46	427.46	427.46	427.46
Remuneration (as % of PBT)	7.58%	6.04%	6.04%	3.76%	1.09%

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company expects all its employees to act in accordance with the highest professional and ethical standards upholding the principles of integrity and compliance at all times. In this regard, expectations around compliance are communicated to the employees through multiple channels. The Company as an equal opportunity employer seeks to ensure that the workplace is free of any kind of harassment or inappropriate behaviour. Comprehensive policies and procedures have been laid down, to create an environment where there is respect and dignity in every engagement. The Company has adopted zero tolerance for sexual harassment at the workplace. This is imbibed in the Company's culture.

The Company has formulated a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules thereunder. The required awareness is created by communicating the essence of the policy to all employees at regular intervals through assimilation and awareness programs.

The Company has constituted an Internal Committee (IC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee is headed by an Independent person.

The following are the summary of the complaints received and disposed off during FY 2022-23:

Particulars	Details
No of Complaints of sexual harassment received in the year	NIL
No of Complaints disposed off during the year	Not Applicable
No of cases pending for more than ninety days	Not Applicable

RESEARCH AND DEVELOPMENT

Research and development are continual operations that play a vital role in supplying inputs for creating new products, coming up with energy-saving solutions, improving production processes, and improving product quality.

We have achieved remarkable success in this cutthroat business thanks in large part to innovation. In order to stay current with changing technology and produce new goods, our research and development section is constantly doing thorough research.

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

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

(A) CONSERVATION OF ENERGY

a. Energy Conservation Measures taken

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

b. Capital Investment on energy conservation equipments

NIL

FORM A

I. Disclosure of Particulars with respect to Conservation of Energy

Power & Fuel Consumption	Unit of Measurement	Current Year (2022-23)	Previous Year (2021-22)
1. Electricity	KWH/MWH		
a) Purchased			
Unit		20,33,960.00	18,02,760.00
Total Amount		1,96,98,002.00	1,78,63,798.00
Rate/ Unit		9.68	9.91
b) Own Generation	NIL	NIL	NIL
2. Coal	NIL	NIL	NIL
3. Furnace oil	NIL	NIL	NIL
4. Others / internal generation	NIL	NIL	NIL

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

S. No.	Product	Standard Budget Norms (2022-23) (Rs)	Current Year (2022-23) (Rs)	Previous Year (2021-22) (Rs)
1	Conveyor Belt	125.00	121.33	106.00

(B) TECHNOLOGY ABSORPTION

FORM B

Disclosure of Particulars with respect to Technology Absorption

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	(Rs. In Lakhs)	
	2022-23	2021-22
FOREIGN EXCHANGE		
Foreign Exchange Earnings	-	132.82
Foreign Exchange Outgo	366.29	977.14

ACKNOWLEDGEMENT

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

Your Directors would like to express their appreciation to the Central and State Government for their continued support to the company through aid, cooperation, and encouragement. We also express our gratitude to all of our stakeholders—customers, business partners, members, bankers, and others—for their ongoing support throughout the year. We would want to express our gratitude for the contributions all of your employees have made to the development of your business.

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

Place: Jodhpur
DATE: 4TH September, 2023

O P BHANSALI
(Managing Director)
DIN: 00351846

GAURAV BHANSALI
(Whole time Director)
DIN: 00351860

Annexure – I

Form MR - 3

Secretarial Audit Report

for the Financial Year Ended 31st March, 2023

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

To,

The Members

Somi Conveyor Beltings Limited

CIN: L25192RJ2000PLC016480

4F-15, “Oliver House”,

New Power House Road,

Jodhpur (Raj.)-342001

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

Based on my verification of the **SOMI CONVEYOR BELTINGS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2023** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) for the financial year ended on **March 31, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not Applicable as the Company has not issued any further share capital during the period under review];**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not Applicable as there was no reportable event during the period under review];**
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not Applicable as the Company has not issued and listed any debt securities during the period under review];**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, **[Not Applicable during the period under review];** and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, **[Not Applicable during the period under review];**
- (vi) Other Laws as applicable to the company [Provided in **Appendix B**]: **I further report that**, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Managing Director taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws, Environment laws and other legislations.

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

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Composition of the Board including failure to appoint woman director	Regulation 17 (1)	One Day	NSE & BSE	Fine	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Rs. 5900/- by NSE and Rs. 5900/- by BSE respectively (including GST of 900)	The Company has paid fine of Rs.5900/- to BSE and Rs.5900/- to NSE respectively in the month of November, 2022.	The Company has paid fine of Rs.5900/- to BSE and Rs.5900/- to NSE respectively in the month of November, 2022.	

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

Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and there were no dissenting views to be recorded.

I 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, circulars, notifications, directions and guidelines.

I further report that during the audit period the Company in its 22nd Annual General Meeting held on 30th September, 2022 has appointed:

1. Mr. Om Prakash Bhansali as Managing Director of the Company for the period of 5 years w.e.f. September 01, 2022.
2. Mr. Vimal Bhansali as Whole-Time Director of the Company for the period of 5 years w.e.f. September 01, 2022.
3. Mr. Gaurav Bhansali as Whole-Time Director of the Company for the period of 5 years w.e.f. September 01, 2022.

I further report that during the audit period the Company in its Extra-Ordinary General Meeting held on 17th March, 2023 has appointed Mrs. Saraswati Choudhary as Non-Executive Independent Director for the period of 5 years w.e.f. December 27, 2022.

Place: Jodhpur
Date: 26th August, 2023

IRA BAXI
Practicing Company Secretary
FCS No.: -5456; CP No.: 4712
UDIN: F005456E000873037
PR No.: 2991/2023

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

APPENDIX-A

To,

The Members
Somi Conveyor Beltings Limited
CIN: L25192RJ2000PLC016480
4F-15, "Oliver House",
New Power House Road,
Jodhpur (Raj.)-342001

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Jodhpur
Date: 26th August, 2023

IRA BAXI
Practicing Company Secretary
FCS No.:-5456;CP No.: 4712
UDIN:F005456E000873037
PR No.: 2991/2023

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

Sr. No.	Name of Acts/Rules/Regulations
1.	The Competition Act, 2002
2.	The Environment (Protection) Act, 1986
3.	The Water (Prevention & Control of Pollution) Act, 1974
4.	The Air (Prevention & Control of Pollution) Act, 1981
5.	The Public Liability Insurance Act, 1991
6.	The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
7.	The Factories Act, 1948
8.	The Industrial Disputes Act, 1947
9.	The Payment of Wages Act, 1936
10.	The Minimum Wages Act, 1948
11.	The Employees' State Insurance Act, 1948
12.	The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
13.	The Payment of Bonus Act, 1965
14.	The Payment of Gratuity Act, 1972
15.	The Contract Labour (Regulation and Abolition) Act, 1970
16.	The Maternity Benefit Act, 1961
17.	The Child Labour (Prohibition and Regulation) Act, 1986
18.	The Industrial Employment (Standing Orders) Act, 1946
19.	The Employees' Compensation Act, 1923

20.	The Apprentices Act, 1961
21.	The Equal Remuneration Act, 1976
22.	Micro, Small and Medium Enterprises Development (MSMED) Act, 2006
23.	Indian Trade Union Act, 1926
24.	The Person with Disability Act, 1995
25.	The Income Tax Act, 1961
26.	The Central Excise Act, 1944
27.	The Customs Act, 1962
28.	The Foreign Exchange Management Act, 1999
29.	The Employees Pension Scheme, 1995
30.	Accounting Standards
31.	The Indian Penal Code, 1860
32.	The Indian Evidence Act, 1872
33.	The Code of Criminal Procedure, 1973
34.	The Code of Civil Procedure, 1908
35.	The Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013
36.	The Central Goods And Services Tax Act, 2017
37.	The Integrated Goods And Services Tax Act, 2017
38.	The Union Territory Goods And Services Tax Act, 2017
39.	All Rules/Regulations in relation to above specified Acts.

Place: Jodhpur
Date: 26th August, 2023

IRA BAXI
Practicing Company Secretary
FCS No.: -5456; CP No.: 4712
UDIN: F005456E000873037
PR No.: 2991/2023

Annexure – II

Form No. AOC-2

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

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

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

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

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

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

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

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

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

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

Place: Jodhpur
DATE: 4th September, 2023

O P BHANSALI
(Managing Director)
DIN: 00351846

GAURAV BHANSALI
(Whole time Director)
DIN: 00351860

Annexure – III

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR Policy

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

2. Composition of the CSR Committee

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

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

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

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

4. Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): Not Applicable as the average net profit of the Company for the last three financial years does not exceed the limit of 5 Crore.

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

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

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

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). Since the Company does not have liability towards CSR pursuant to section 135, no expenditure has been made on CSR Projects.

(b) Amount spent in Administrative Overheads. NIL

(c) Amount spent on Impact Assessment, if applicable. Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. Nil

(e) CSR amount spent or unspent for the Financial Year:

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

(f) Excess amount for set off, if any: Nil

S. No.	Particulars	Amount (in Rs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to a fund specified under Schedule VII as per second proviso to sub section 5 of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (In Rs)	Date of Transfer	
1							
2					N.A.		
3							
	TOTAL						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if Applicable	Name	Registered address
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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

Place: Jodhpur
Date: 4th September, 2023

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

REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31st March, 2023 is presented below:

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

Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance, and ensure that we gain and retain the trust of our stakeholders at all times.

At SCBL, it is imperative that our Company affairs are managed in a fair and transparent manner. Corporate governance brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders.

Corporate governance is the broad framework which defines the way the Company functions and interacts with its environment. It is in compliance with laws and regulations in each of the markets the Company operates, leading to effective management of the organisation. Moreover, SCBL in its journey towards sustainability is integrating sustainability practices in its corporate governance system which goes beyond compliance.

Simultaneously, in keeping with the best practices, your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on Transparency, Accountability, Professionalism, Trusteeship, Sustainability and Safeguarding Integrity

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

II. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The business of the company is conducted by the management under the directions of the Board. The Board formulates the strategy, regularly reviews the performance of the company and ensures that the previously agreed objectives are met on a consistent basis. The Board of Directors of the Company, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders.

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

a) Composition of Board

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience,

cultural and geographical background, age, ethnicity, race, gender, knowledge, skills and other domains, which will ensure that SCBL retains its competitive advantage.

The size and composition of the Board meets the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of Seven Executive and Non-Executive Directors, including leading professionals in their respective fields. Percentage of Executive and Non-Executive Directors of the Company as on March 31, 2023:

Category of Director	No. of Directors	% of Total No. of Directors
Executive	3	37.50
Non-Executive (Including Independent Directors)	5	62.50
Total	8	100.00

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

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

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

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

Composition and Directorship(s) / Committee Membership(s)/Chairmanship(s) as on 31st March, 2023

Name of the Director	Category*	Number of shares held in the Company	Date of Original Appointment	No. of outside Directorship in Public Limited Companies	No. of Committee Position Held in other Companies	
					Chairman	Member
Mr. Om Prakash Bhansali	PE & MD	4417011	16/06/2000	1	NIL	NIL
Mr. Vimal Bhansali	PE&WTD	598840	16/06/2000	NIL	NIL	NIL
Mr. Gaurav Bhansali	PE &WTD	577305	16/06/2000	NIL	NIL	NIL
Mr. Mahendra Rakhecha	INE	-	30/09/2006	1	NIL	NIL
Mr. Yogesh Maheshwari	INE	-	10/01/2007	NIL	NIL	NIL
Mr. Santosh Kumar Joshi	INE	-	22/02/2021	NIL	NIL	NIL
Ms. Payal Daga	NEW	-	30/09/2022	NIL	NIL	NIL
Ms. Saraswati Choudhary	INEW	-	27/12/2022	NIL	NIL	NIL

*PE = Promoter Executive, MD = Managing Director, INE = Independent Non- Executive, WTD = Whole Time Director, NEW= Non-Executive Woman, INEW = Independent Non-Executive Woman

b) Appointment and Tenure

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

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

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

c) Board Procedure

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

d) Number of Board Meetings and Attendance Record of Directors

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

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

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

The particulars of Board Meetings held during 2022-23 as well as attendance of Directors at the Board Meetings and the last AGM are provided below:

Details of Board Meetings

S.No	Date of Board Meeting
1.	02/05/2022
2.	30/05/2022
3.	06/08/2022
4.	12/08/2022
5.	03/09/2022
6.	08/11/2022
7.	27/12/2022
8.	14/02/2023
9.	18/02/2023

Attendance Record of Board of Directors

Name of Director	Number of Board Meetings		Whether attended last AGM held on 30.09.2022
	Held	Attended	
Mr. Om Prakash Bhansali	9	9	Yes
Mr. Vimal Bhansali	9	9	Yes
Mr. Gaurav Bhansali	9	9	Yes
Mr. Mahendra Rakhecha	9	9	Yes
Mr. Yogesh Maheshwari	9	9	Yes
Mr. Santosh Kumar Joshi	9	7	Yes
Mrs. Surbhi Rathi	3	0	NA
Ms. Payal Daga	4	4	NA
Ms. Saraswati Choudhary	2	2	NA

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

e) Disclosure of relationships between directors inter-se

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

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

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

g) Familiarization Programme for Directors

The company conducts the Familiarization program when new Director(s) is/are appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business, and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company.

The provision of an appropriate Familiarization programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The Independent

Directors, from time to time, requests management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The Familiarization programme is designed as such to:

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

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

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

The Company recognizes and embraces the importance of a diverse Board and is endowed with appropriate balance of skills, experience and diversity of perspectives, thereby ensuring effective Board governance. The Company is committed towards ensuring that the Directors being appointed on the Board have certain key skills, expertise and competencies, which shall help in effective functioning of the Company. The Board, in addition to having the basic skills and competencies, such as Leadership qualities and adequate financial knowledge, possesses the following key skills/ expertise/competencies:

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

Name of the Directors	Strategy Planning & Implementation	Business Leadership	Corporate Governance, Ethics	Information Technology	Human Relationship expertise	Risk management, Legal and Industrial Relation	financial management, cost expertise and banking
Mr. Om Prakash Bhansali	YES	YES	YES	YES	YES	YES	YES
Mr. Mahendra Rakhecha	YES	YES	YES	YES	YES	YES	YES
Mr. Vimal Bhansali	YES	YES	YES	YES	YES	YES	YES
Mr. Gaurav Bhansali	YES	YES	YES	YES	YES	YES	YES

Mr.Yogesh Maheshwari	YES	YES	YES	YES	YES	YES	YES
Mr.Santosh Kumar Joshi	–	–	YES	YES	YES	YES	–
Ms. Payal Daga	–	–	YES	YES	YES	YES	YES
Ms. Sarswati Choudary	–	YES	YES	YES	YES	YES	–

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

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2022-23, the Board hereby certifies that all the Independent Directors appointed by the Company fulfill the conditions specified in these Regulations and are independent of the management.

j) Separate Meeting of Independent Directors

For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management. Schedule IV of the Companies Act, 2013 and the Rules there under mandate that the independent directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of the Management. Even before the Companies Act, 2013 came into effect, our Board's process mandated periodic meetings attended exclusively by the independent directors.

The Independent Directors met on March 30, 2023, inter alia, to discuss:

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

Attendance Record of Meetings of Independent Directors

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

During the year, the independent directors met One time. At such meeting, the independent directors discussed, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, succession planning, human resources matters and the performance of the executive members of the Board, and the Chairman. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

k) Code of Conduct

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

l) Board Evaluation

During the year, in terms of the requirements of the Act and Listing Regulations, Board Evaluation was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Directors. The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Board of Directors including Independent Directors and Committees of the Board.

The criteria are in the form of questionnaire for annual evaluation on functioning and effectiveness of the Board, Committees and Individual Directors. The Executive Directors, SMPs and Employees are evaluated based on the overall performance of the Company, their respective goals, Business Unit / Functional goals and achievement of strategic goals under Project Leap together with sustainability targets under the Environment Social and Governance (ESG) framework.

The Evaluation process is based on the criteria specified by Nomination and Remuneration Committee focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Board Evaluation was carried out on parameters such as

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

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

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

m) Whistle Blower Policy

In line with the Act and Listing Regulations, the Company has formulated a Whistle-Blower Policy to raise concerns about any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, suspected misconduct, unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner.

The policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for

adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle blower Policy has been uploaded on the website of the Company at <http://www.somiinvestor.com/images/pdf/Policies/SOMI - Whistle Blower Policy.pdf>

III. Governance by the Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice.

The Committees of the Board ('Committee') play an important role in the governance by focusing on specific areas and making informed decisions within the delegated authority. Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference or Policy, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information/consideration. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review.

The Board had the following Committees during the year 2022-23:

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

a) Audit Committee

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

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

The composition of the Audit Committee as on March 31, 2023 is as under:

Name of Member	Category
Mr. Santosh Kumar Joshi (Chairman) w.e.f. 01.10.22	Non- Executive and Independent Director
Mr. Mahendra Rakhecha (Chairman) upto 01.10.22	Non- Executive and Independent Director
Mr. Yogesh Maheshwari (Member)	Non- Executive and Independent Director
Mr. Gaurav Bhansali (Member)	Whole-Time Director

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

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

The Audit Committee has met Six times during the financial year 2022-23 on:

May 30, 2022; August 12, 2022; September 03, 2022; October 01, 2022; November 08, 2022; February 14, 2023

Details of meetings attended by the members of the Audit Committee during the financial year 2022-23 are as follows:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Santosh Kumar Joshi	Non- Executive and Independent Director	Chairman w.e.f. 01.10.22	2	2
Mr. Mahendra Rakhecha	Non- Executive and Independent Director	Chairman upto 01.10.22	4	4
Mr. Gaurav Bhansali	Whole-Time Director	Member	6	6
Mr. Yogesh Maheshwari	Non-Executive and Independent Director	Member	6	6

Terms of reference:

Powers of Audit Committee:

The Audit Committee shall have the following powers:

1. to investigate any activity within its terms of reference,
2. to seek information from any employee,
3. to obtain outside legal or other professional advice, and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

ROLE OF THE AUDIT COMMITTEE

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, the internal control system ;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and back ground, etc. of the candidate;
20. Review of Management Discussion and Analysis of financial condition and results of operations;
21. Review statement of significant related party transactions submitted by Management;
22. Review of management letters/letters of internal control weaknesses issued by the statutory auditors;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

Role of Internal Auditor

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

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

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

b) Nomination & Remuneration Committee

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

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

The composition of this Committee as on March 31, 2023 is as under:

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

The Nomination & Remuneration Committee has met Four times during the financial year 2022-23 on: September 03, 2022, October 01, 2022, December 27, 2022 and February 18, 2023.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2023 is as under:

Name of Committee Member	Category	Position	Number of Committee Meetings	
			Held	Attended
Mr. Yogesh Maheshwari	Non-Executive and Independent Director	Chairman	4	4
Mr. Mahendra Rakhecha	Non-Executive and Independent Director	Member	4	4
Mr. Santosh Kumar Joshi	Non-Executive and Independent Director	Member	4	4

Role of Nomination and Remuneration Committee

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

Performance evaluation criteria for Independent Directors:

In compliance with the Companies Act, 2013 and Regulation 19 read with Schedule II of SEBI (LODR), Regulations, 2015, The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors.

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

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

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2023 is given below:

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

b) Non-Executive and Independent Directors

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

Details of sitting fees and commission paid to Independent Directors during the financial year 2022-23 is given below:

Name of Non-Executive & Independent Directors	Sitting Fee for Board/Audit Committee/ Other Committee Meeting attended
Mr. Yogesh Maheshwari	21000/-
Mr. Mahendra Rakhecha	20000/-
Mr. Santosh Kumar Joshi	14000/-
Mrs. Surbhi Rath	13001/-
Mrs. Payal Daga	4000/-
Mrs. Saraswati Choudhary	3,000/-

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

c) Stakeholder Relationship Committee

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

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

The composition of this Committee as on March 31, 2023 is as under:

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

Terms of reference

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

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

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

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

The Stakeholders Relationship Committee has met only once during the financial year 2022-23 on March 30, 2023.

The attendance of members of Stakeholders Relationship Committee at the committee meeting during the year ended March 30, 2023 is as under:

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

Status of Shareholders'/Investors' Complaints for the period 01st April, 2022 to 31st March, 2023

Opening Balance	Complaints Received during the year 2022-23	Complaints Resolved during the year 2022-23	Closing Balance
NIL	NIL	NIL	NIL

Mr. Amit Baxi, Company Secretary, is the Compliance Officer for resolution of Shareholder's/Investor's complaints. During the Financial Year ended 31st March, 2023, no Complaint was received from the Shareholders.

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

The Corporate Social Responsibility Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee of the Company comprises of three directors namely Mr. Om Prakash Bhansali (Chairman) and has Mr. Vimal Bhansali and Mr. Mahendra Rakhecha as its Members. During the year, the Committee met once on March 30, 2023.

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

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

Terms of Reference

1. Formulation and Recommendation to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII;
2. Recommendation of amount of expenditure to be incurred on the activities referred in Schedule VII;
3. Monitoring the CSR Policy of the company from time to time.
4. Ensuring that the programs, projects and activities supported through Somi Conveyor Beltings Limited are aligned with the approved CSR policy of the Company and Section 135 and Schedule VII of the Act;
5. Reviewing and approving annual budgets with respect to CSR programs;
6. In case the Company is not able to spend the stipulated two percent of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board; the reasons shall also be included in the Board's report;
7. Receiving and reviewing reports from Implementing Partners to assess the performance and effectiveness of projects supported by the Company;
8. Reviewing the findings and recommendations regarding the CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants;
9. Responding to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Company's CSR supported initiatives;
10. Ensuring that the Company's website displays the approved CSR policy of the Company;

11. Developing and institutionalizing a CSR reporting mechanism in terms of Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

e) Senior management:

Particulars of senior management including the changes therein since the close of the previous financial year.

S.NO.	NAME	DESIGNATION	NEW APPOINTMENT
1	KUNAL SHARMA	GM-PRODUCTION	
2	VB SINGH	DGM-PRODUCTION	
3	DHANANJAI BHANSALI	AVP MARKETING	01.01.2023
4	DHARMENDRA SOLANKI	SR. EXECUTIVE ACCOUNTS	
5	TARUN KALIRANA	SR. EXECUTIVE PSU MARKETING	
6	TAIHSEEN SAKREKAR	SR. EXECUTIVE MARKETING	
7	LOKESH JAIN	SR. EXECUTIVE-PROJECT	01.10.2022

IV. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

V. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Time of Meeting	Venue of AGM
2021-22--22 nd AGM	30.09.2022	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003
2020-21 – 21 st AGM	30.09.2021	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003
2019-20 – 20 th AGM	30.09.2020	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003

WHETHER ANY SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs:

- In the 22nd Annual General Meeting held on 30th September, 2022, no Special Resolutions were proposed and passed.
- In the 21st Annual General Meeting held on 30th September, 2021, no Special Resolutions were proposed and passed.
- In the 20th Annual General Meeting held on 30th September, 2020, Three Special Resolutions were proposed and passed pertaining to:
 - Approval for re-appointment of Mr. Mahendra Rakhecha (DIN: 00648532) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.
 - Approval for re-appointment of Mr. Yogesh Maheshwari (DIN: 01202089) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the

said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.

- c) Approval for re-appointment of Ms. Surbhi Rath (DIN: 07115169) as an Independent Director pursuant to section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for her second term of 5 (five) consecutive years, commencing from 1st October, 2020 to 30th September, 2025.

EXTRA ORDINARY GENERAL MEETING HELD DURING THE YEAR UNDER REVIEW

Financial Year	Date of EGM	Time of Meeting	Venue of EGM
2022-23 EOGM	17.03.2023	11.30 a.m	4F-15, "Oliver House", New Power House Road, Jodhpur-342 003

WHETHER ANY SPECIAL RESOLUTIONS PASSED IN THE EOGM:

No Special Resolution was passed in the Extra-Ordinary General Meeting of the Company held on 17th March, 2023

NO SPECIAL RESOLUTION WERE PUT THROUGH POSTAL BALLOT EXERCISE

DETAILS OF VOTING PATTERN:

- Not Applicable

PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

- Not Applicable

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

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

PROCEDURE FOR POSTAL BALLOT:

- Not Applicable

VI. MEANS OF COMMUNICATION

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

Communication of Audited Financial Results (Quarterly and Annual)	The Company has regularly furnished, through email and electronic filing systems and such other mode, as may be required by the exchanges - within 30 (thirty) minutes (as applicable under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the case may be) of closure of the Board meeting, the quarterly audited as well as annual audited results to both the Stock Exchanges i.e., BSE & NSE. Quarterly and Annual financial results are also published in English and Hindi daily newspaper, i.e., Business Standard/Financial Express, Business Remedies/ Nafa Nuksan
Website	Pursuant to the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's website is www.somiinvestor.com . All the information which

	may be required by the Shareholders is available including financial results, shareholding pattern, stock exchange filings, Annual Reports, Corporate Governance Compliance Report, additional disclosures, etc.,
NSE Electronic Application Processing System (NEAPS) and BSE Online Listing Centre	The Company uploads its disclosures and announcements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the link, https://neaps.nseindia.com/NEWLISTINGCORP/ to NSE Electronic Application Processing System (NEAPS)/Digital Exchange and to BSE Online Listing Centre at the link, https://listing.bseindia.com/
SCORES (SEBI complaints redressal system)	SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

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

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

VII. GENERAL SHAREHOLDERS INFORMATION

a) Date, time and venue of the 23rd Annual General Meeting:

Annual General Meeting is proposed to be held on Saturday, 30th September, 2023 at 11:30 A.M at its Registered Office at 4F-15, "Oliver House", New Power House Road, Jodhpur – 342003

b) Financial Calendar for FY 2023-24:

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

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on 30th June, 2023	Within Forty Five Days of the End of the Quarter
Quarter ending on 30th September, 2023	Within Forty Five Days of the End of the Quarter
Quarter ending on 31st December, 2023	Within Forty Five Days of the End of the Quarter
Annual Results of 2023-24	Within Sixty Days of the End of the Quarter
Annual General Meeting for the year ending March 31, 2024	In September, 2024

c) Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Sunday, 24th September, 2023 to Saturday, 30th September, 2023 (both days inclusive) for the purpose of 23rd Annual General Meeting.

d) Trading window closure

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

e) Unclaimed Dividends

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

Financial Year ended	Due Date of Transfer
31.03.2016	16.11.2023
31.03.2018	27.11.2025

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

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

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

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

g) Stock Code

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

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

Month & Year	High (Price)	Low (Price)	Volume (No. of Shares)
Apr – 22	45	33.2	67503
May – 22	38.6	32.3	17183
Jun – 22	39.4	29.25	18536
Jul – 22	40.2	30.25	31759
Aug – 22	54.95	38.75	151824
Sep – 22	61.8	41.25	235724
Oct – 22	48.6	41.2	27495
Nov – 22	44.95	36	44924
Dec – 22	49.6	36.2	47416
Jan – 23	44.05	38	21945
Feb – 23	41.95	33	19265
Mar - 23	40	34	41016

BSE SENSEX		
Month & Year	High	Low
Apr – 22	60845.1	56009.07
May – 22	57184.21	52632.48
Jun – 22	56432.65	50921.22
Jul – 22	57619.27	52094.25
Aug – 22	60411.2	57367.47
Sep – 22	60676.12	56147.23
Oct – 22	60786.7	56683.4
Nov – 22	63303.01	60425.47
Dec – 22	63583.07	59754.1
Jan – 23	61343.96	58699.2
Feb – 23	61682.25	58795.97
Mar - 23	60498.48	57084.91

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

Month & Year	High (Price)	Low (Price)	Volume (No. of Shares)
Apr – 22	45.15	33.05	3,42,401
May – 22	39.5	31.5	73116
Jun – 22	38.3	28.1	72115
Jul – 22	40	28.8	1,96,866
Aug – 22	52.95	37.3	10,24,067
Sep – 22	62	40.9	11,07,120
Oct – 22	48.3	42.05	75,690
Nov – 22	45	36.2	87,612
Dec – 22	49.75	37	2,06,629
Jan – 23	44	37.6	60,873
Feb – 23	41.25	32.2	66,718
Mar - 23	40.6	33.45	1,00,924

NSE NIFTY		
Month & Year	High	Low
Apr – 22	18114.65	16824.7
May – 22	17132.85	15735.75
Jun – 22	16793.85	15183.4
Jul – 22	17172.8	15511.05
Aug – 22	17992.2	17154.8
Sep – 22	18096.15	16747.7
Oct – 22	18022.8	16855.55
Nov – 22	18816.05	17959.2
Dec – 22	18887.6	17774.25
Jan – 23	18251.95	17405.55
Feb – 23	18134.75	17255.2
Mar - 23	17799.95	16828.35

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

i) Registrars and Share Transfer Agents:

Universal Capital Securities Private Limited

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

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

j) Share Transfer System

Pursuant to the requirement of the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, w.e.f. April 1, 2019, all the transfers of securities shall be mandatorily effected through dematerialized mode only.

Further, shares in respect of whom dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the Investor Education and Protection Fund as required by law. The Company will transfer the said shares, after sending an intimation of such proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees will be available on the Company's website www.somiinvestor.com.

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained the yearly certificate from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The audit reports for the financial year under report have been filed with the stock exchanges within one month of the end of each quarter.

k) Distribution of Shareholding As At 31st March 2023

Sr. No.	Slab of Shareholding		Shareholders		Number of Shares	Shares Values	
	No. of Equity Shares held		Number	In %		Face Value	In %
	From	To				(Rs.)	
1	1	500	5858	85.5182	761682	7616820	6.4661
2	501	1000	547	7.9854	428196	4281960	3.6350
3	1001	2000	251	3.6642	369417	3694170	3.1361
4	2001	3000	72	1.0511	184751	1847510	1.5684
5	3001	4000	28	0.4088	100053	1000530	0.8494
6	4001	5000	25	0.365	115665	1156650	0.9819
7	5001	10000	37	0.5401	263093	2630930	2.2335
8	10001	& Above	32	0.4672	9556799	95567990	81.1297
Total			6850	100.00	11779656	117796560	100.00

Ownership Pattern as on 31st March, 2023

Category	Number of Shares	In %
Promoter and Promoter Group		
Individual/HUF	6960757	59.09
Public – Non Institution		
Individual	2577714	21.88
Hindu Undivided Family	128984	1.1
Non Resident Indians (Non Repat)	19797	0.17
Non Resident Indians (Repat)	30113	0.26
Body Corp-Ltd Liability Partnership	4819	0.04
Clearing Member	1909	0.02
Bodies Corporate	2055563	17.45
Total	11779656	100.00

l) Dematerialization of Shares and Liquidity:

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

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

During the year 2022-23, your Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

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

The Company deals in commodity and foreign exchange in ordinary course of business and has adequate risk management mechanism. These are reviewed by the Audit Committee of the Company.

o) Plant location:

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

p) Address of Correspondence:

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

q) Credit Rating

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

VIII. DISCLOSURES

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

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

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

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

b) Disclosure of accounting treatment in preparation of financial statements

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

c) Statutory Compliance, Penalties and Strictures:

Your Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years except non-compliance of one day pursuant to Regulation 17(1) of SEBI (LODR) Regulations, 2015. Details of the same are mentioned below:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practising Company Secretary	Management Response	Remarks
1	Composition of the Board including failure to appoint woman director	Regulation 17 (1)	One Day	NSE & BSE	Fine	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Rs. 5900/- by NSE and Rs. 5900/- by BSE respectively (including GST of 900)	The Company has paid fine of Rs.5900/- to BSE and Rs.5900/- to NSE respectively in the month of November.	The Company has paid fine of Rs.5900/- to BSE and Rs.5900/- to NSE respectively in the month of November.	

d) Whistleblower Policy / Vigil Mechanism

Pursuant to Section 177 of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

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

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

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

Not Applicable, as the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations during the year under review.

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

As required under Clause 10 (i) of Part C under Schedule V of SEBI (LODR) Regulations, 2015, the compliance certificate from Practising Company Secretary has been obtained that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

h) Recommendation of Committees of the Board during the FY 2022-23

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

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

During the financial year 2022-23, total fees for all services paid by the listed entity to the Statutory Auditor are as follows:

Particulars	Details of Fees
Internal Audit	1,40,000/-
Statutory Audit	2,75,000/-
Tax Audit	1,25,000/-
Other Services	1,10,000/-

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

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules risk made thereunder, the Company has in place a Policy on Prevention of Sexual Harassment of women at workplace. The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company.

All women who are associated with the Company either as permanent employees or temporary employees or contractual persons including service providers at the Company sites are covered under the above policy. The company has constituted Internal Complaints Committee to ensure a harassment free working environment, to redress the complaints and to prevent sexual harassments, if any. No complaints relating to sexual harassment were received during the year.

Status of complaints as on 31st March 2023:

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

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

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

l) Risk Management Framework:

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

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

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

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

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

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

o) MD/ CFO Certification:

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to MD/CFO certification for the financial year ended March 31, 2023. The Certificate forms part of this Report.

p) Certificate on corporate governance:

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

q) Twenty Third (23rd) Annual General Meeting (AGM) of the Company will be held on Saturday, **30th September 2023 at **11:30 am**, at Registered Office, 4F-I5, "Oliver House", New Power House Road, Jodhpur-342003 to transact the business mentioned in the Notice of AGM dated 4th September, 2023.**

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 30th September 2023.

r) Disclosure with respect to demat suspense account/ unclaimed suspense account:

Under Clause 1 of Part C under Schedule V SEBI (LODR) Regulations, 2015. The Company was not required to credit any shares in the demat suspense account or unclaimed suspense account, hence disclosure is not applicable.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis report presents the key performance highlights of the year 2022-23 pertaining to the Company's business. This discussions related to the Company's financial condition and result of operation should be read in conjunction with the Integrated Report presented in the earlier sections of this Annual Report, the Company's financial statements, the notes thereto and the other information included elsewhere in this Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), complying with the requirements of the Company's Act 2013 and SEBI (LODR) Regulations, 2015.

FINANCIAL HIGHLIGHTS

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

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

(Rs.in Lakhs)

	Year ended 31 st March 2023	% of Revenue	% Growth / (% Decline)	Year ended 31 st March 2022	% of Revenue
Revenue	9369.57	100.00%	63.98%	5713.85	100.00%
Earnings before interest, tax, depreciation	727.21	7.76%	24.34%	584.51	10.23%
Profit Before Tax	427.46	4.56%	66.18%	257.23	4.50%
Profit After Tax attributable to shareholders of the Company	346.81	3.70%	102.13%%	171.58	3.00%
Total Comprehensive Income for the period attributable to Owners	335.60	3.58%	95.59%	171.58	3.00%
Earnings per Share (in Rs.)	2.94	-	1.01%	1.46	-

During the year 2022-23, the Company has continued implementation of its business strategy to give a better performance as compared to previous year. Your Company achieved revenue from operations for the year aggregated to 9369.57 Lakh registering an increase of 63.98% over the previous year's revenue of Rs. 5713.85 Lakh. Your Company was able to earn Net Profit Rs. 346.81 Lakh an increase of 102.13% as compared to previous year.

Segment-Wise and Product-Wise Performance

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

Key Financial Ratios

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

	Units	Year ended 31 st March 2023	Year ended 31 st March 2022	% Change	Reason for Change (In case if change is more than 25%)
Debtors Turnover	Days	125	167	(25%)	Due to higher revenue, receivable cycle increased
Inventory Turnover	Days	124	281	(56%)	Due to higher revenue, inventory cycle increased
Interest Coverage Ratio	Times	1.77	1.85	(4%)	
Current Ratio	Times	2.19	1.99	10%	
Debt Equity Ratio	Times	0.26	0.44	(40%)	Due to higher re-payment schedule in Term Loans within current FY, previously moratorium period exits hence repayment portion was comparatively low.
Operating Profit Margin	%	5.64%	6.22%	(9%)	
Net Profit Margin	%	3.70%	3.00%	(23%)	

Change in Return on Net Worth

S. No.	Particulars	FY 23	FY 22	% Change	Reason for Change
1.	Return on Net worth	5.31%	2.71%	96%	Due to higher revenue and PAT in quantum RONW increased.

INDUSTRIAL SCENARIO

In 2022, the size of the global conveyor belt market reached US\$ 6.6 billion. Looking ahead, IMARC Group projects that the market will increase at a compound annual growth rate (CAGR) of 3.15% from 2023 to 2028, reaching US\$ 8.0 billion. Some of the main market-driving drivers include the expanding automation, expanding infrastructure development, and the rising demand in the manufacturing sector.

The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe.

The India conveyor belt market reached a value of US\$ 503.1 Million in 2022.

The 'Make in India' policy of the Government will also boost the conveyor belting industry in terms of its increased volume of markets as domestic manufacturers will be given precedence in the Indian market.

The Industry of Conveyor Belts has been witnessing a gradual shift in terms of consumer preferences from traditional conveyor belts to better quality premium products. It is also attracting healthy competitive environment, where players are applying different strategies to tap growing demand in the market space. The global Conveyor Belts market is fragmented and characterized by the presence of large international and regional vendors. Vendors compete in terms of price, brand image, turnaround time, quality, proximity to service centers, technical expertise and previous installation history. The industry is made up of several large players who provide a large variety of standard type commodities and many smaller niche players who offer more custom products and solutions.

ABOUT THE COMPANY

Somi Conveyor Beltings Limited ("The Company") being the pioneers of the conveyor belt industry and provider of innovative solutions to our customers for over three decades has emerged as one of the world's leading conveyor belt manufacturer. The Company is engaged in manufacturing and distribution of premium quality customized Conveyor Belts to its clients across the globe that are used for different purposes.

The Company has wide range of Conveyor Belts include M-24, Tiger M-27(Superior Abrasion Resistance), HR Grade, SHR Grade, SHR T2 Upto 150 Deg Conveyor Belts, UHR Grade, UHR T3180 Deg Conveyor Belts, SEHR-36 & 72 (Crack-Resistant upto 350 Degree), Fire Resistant SEFR-81, Oil Resistant Conveyor Belts, SAR-36 Fusion Belt(Combination of Fabric Belt and Steel Wires), STA(Bullet Proof Aramid Fabric), Pipe Conveyor Belts (Streamlined Material Transportation with Unparalleled Efficiency), Steel Cord Conveyor Belts, Chevron, Rough Top, Rubber Sheets and Matting etc.

Our plants are equipped with fully automatic and computerized machinery, operating on 100% PLC technology. We take immense pride in producing world-class quality conveyor belts under our brand name, Somiflex. With an installed capacity of 9,00,000 meters per annum, we offer a range of conveyor belts up to 2000mm in width, equivalent to Fenner, Yokohama, Dunlop, and Continental.

At **SOMI CONVEYOR BELTINGS LTD**, we cater to various industries, including cement, sponge iron, power, and mining sectors. Our products are well accepted by large industrial groups across the globe, owing to their superior quality and durability.

Our team of highly experienced and knowledgeable professionals, which includes engineers, quality analysts, management and administrative staff, and other specialized laborers, places a strong emphasis on the quality compliance of our goods to assure outstanding quality.

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

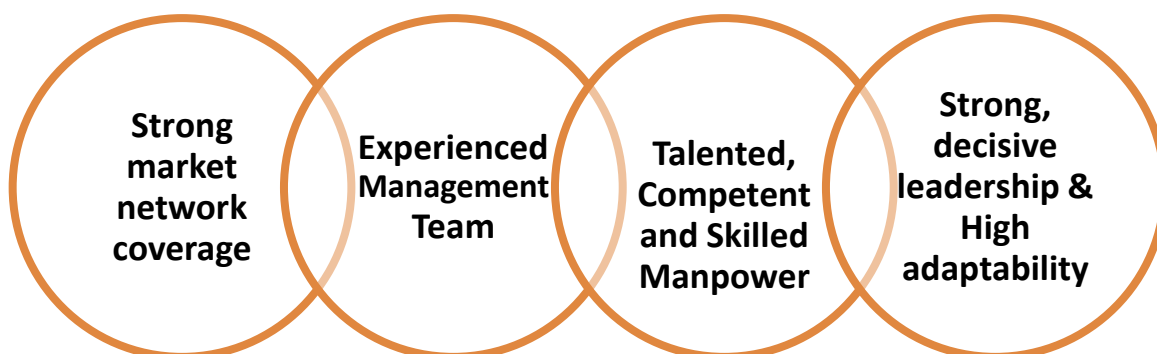
STRENGTHS

Our conveyor belts prioritize reliability durability and efficiency we use advanced technology and strict quality guidelines to ensure our products are of unmatched quality.

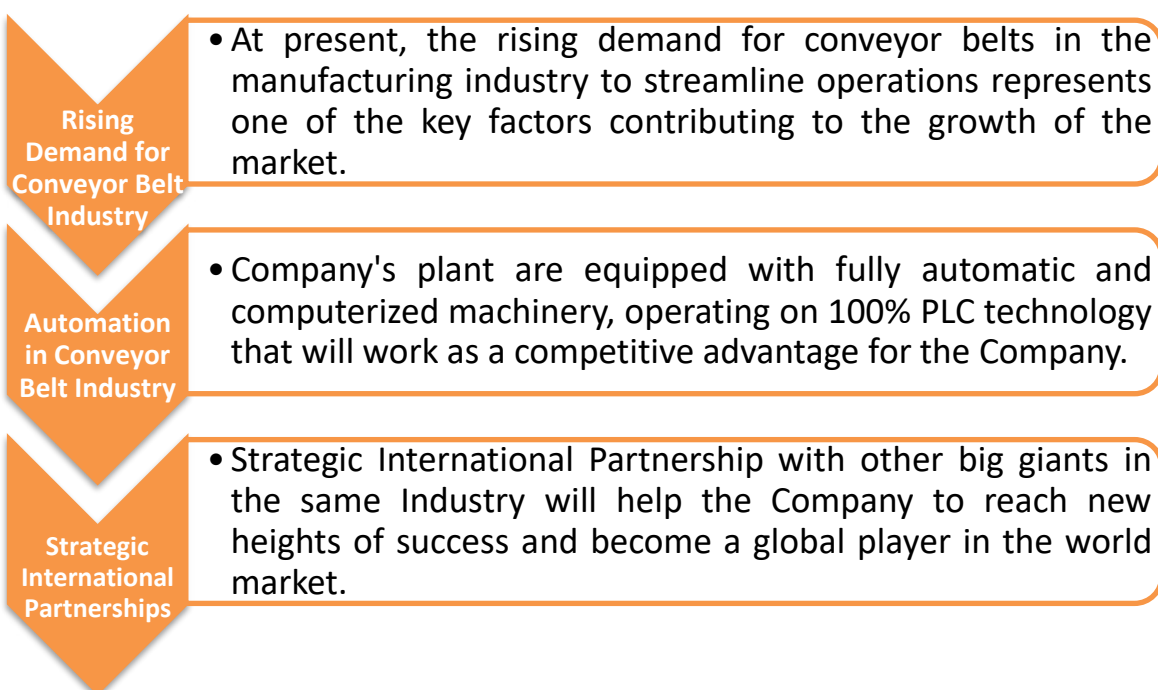


Our commitment to innovation and quality doesn't come at a premium price we offer competitive rates for our high-quality conveyor belts, ensuring the dark lines receive crime value for investment.

Our research and development team is dedicated to producing innovative products that cater to evolving industry needs we constantly update our existing product range.



OPPORTUNITIES



At present, the rising demand for conveyor belts in the manufacturing industry to streamline operations represents one of the key factors contributing to the growth of the market. Besides this, the growing adoption of conveyor belts due to the rising infrastructure development across the globe is offering a positive market outlook.

Additionally, the increasing utilization of conveyor belts in the aviation industry to transport products and baggage timely, conveniently, and provide abrasion resistance and durability is bolstering the growth of the market. Apart from this, the rising demand for conveyor belts in the mining and metallurgy sector to segregate metals and waste is impelling the growth of the market.

Moreover, the increasing emergence of automation in conveyor belts to increase productivity, improve quality, and reduce cost is offering lucrative growth opportunities to industry investors. In addition, technological advancements in the conveyor belts, such as single-row deep groove ball bearings that assist in optimizing performance capabilities, providing longer service life, and reducing downtime, are supporting the growth of the market. Furthermore, the increasing number of warehouses and distribution channels around the world is strengthening the growth of the market.

Your Company's product is regularly used for material handling purposes in different sectors such as mining, cement production, steel & iron, etc. and can transfer a large volume of materials in all directions with ease. The product is an ingenious way to increase productivity in industries and to reduce labor cost. Looking at the future scenario of Conveyor Belting Industry and increasing demand for the same in different industries, there are ample opportunities available and your Company will surely maximize its wealth in the coming years. In India the focus is on indigenous supply of product with the slogan **"be vocal for Local"**. Many Government sectors have debarred Global tenders and the target is giving preference to domestic manufacturers to promote make in India. Additionally, the Government is initiating process of auctioning coal seams to private players for them to carry out production independently where there is a significant business opportunities for our product.

RISKS AND CONCERNS

The Company's robust risk management framework identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholder's interest, to achieve its business objectives and enable sustainable growth. The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes.

The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans.

The Audit Committee has additional oversight in the area of financial risks, controls and Internal Audit reviews. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

The Business of the Company is exposed to several internal and external risks. It has to also deal with certain micro and macro risks that affect the Company's strategy implementation. The Company have in place robust framework, internal processes, systems and controls to monitor, manage, govern, mitigate risks and turning them into opportunities for strengthening the position of the Company.

Some of the key existing and emerging risks affecting the Company are as follows :-

Risk Type	Key Risk	Impact	Mitigation
Strategic Risk	Long term growth dependent on of capacity expansion	Capacities utilization across all the plants are inching up gradually and with business environment turning favorable growth in long term will be dependent on Capacity addition.	Debottlenecking exercise across all the facilities are being carried every quarter. Optimum scheduling of production across different products thereby improving yield. Possibility of setting up new lines wherein Company has project Management expertise.
Operational Risk	Employee Productivity and retention	Employee involvement and productivity is one of the key factors to be competitive in industry. Being a labour intensive sector employee welfare assumes significance	Company has strong commitment towards creating and providing safe working environment for its employee and stakeholders. Focused approach to retain key talent through multiple initiatives including providing cross functional access and experience. Focus on employee engagement. Increased focus on offering learning opportunities with allocation of funds for training requirements.
	Competition	The Company faces competition in the business field it operates in. As a result, the Company is exposed to dual risk of either being displaced by existing or new competitors or its products being replaced by product innovations and new technological features. Customer dissatisfaction on price, quality, delivery performance, and design could lead to loss of market share.	The Company ensures close cooperation with its key customers on product development. It has implemented strict product quality controls in order to reduce the likelihood of substitution. The company remains ahead on technology front on light weighting the products to offer best in class products to its customer.
Financial Risk	Credit Rating	Failure to maintain credit ratings could adversely affect cost of funds.	Regular exchange of information and updates with agency. Focused approach to work on areas of improvement and to build upon areas of strength. Close monitoring of triggers highlighted in rating rationale
	Credit Risk	Credit Risk Customer default can pose a significant challenge and impact the bottom line of the Company.	Systems are in place to assess the credit worthiness of new as well as existing customers.
Legal Risk	Regulatory environment & compliance	The Company is subject to numerous laws regulations and contractual commitments. Any failure to comply with same may impact the Company adversely.	The Company has policies systems and procedures in place with a strong commitment from the Board and the Executive Committee towards compliance.

OUTLOOK

The Company expects financial year 2023-24 to be a optimistically challenging year due to a few reasons. According to the World Economic Outlook (WEO) Russia-Ukraine conflict continues to overshadow the world economy, "Economic damage from the conflict will contribute to a significant slowdown in global growth in 2023 and add to inflation." Supply disruptions have become the norm and will result in higher and more broad-based inflation. The outlook remains positively upside.

There is a continuous thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs.

Against such see-sawing outlook, SCBL continues with its cautious approach. The focus of your company continues to be on investing in good costs and cutting down bad costs, employee safety and conserving cash. The Company is cutting down on all avoidable costs and focusing on good costs – R&D, eTraining, brand building, etc.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company believes that internal controls is one of the key pillars of governance, which provides freedom to the management to operate within a framework of appropriate checks and balances. The Company maintains a robust framework of internal controls that are in accordance with the nature and size of the business. The framework addresses the evolving risk complexities and underpins the Company's strong corporate culture and good governance. The Internal Audit plan is approved by Audit Committee at the beginning of every year. The purpose of an internal audit is to examine and evaluate the internal controls and risks associated with the Company's operations. It covers factories, warehouses, and centrally controlled businesses and functions.

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate systems exist to safeguard Company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well-defined procedures to execute financial transactions.

While these controls comply with the terms of the Companies Act, 2013, and the globally accepted framework issued by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission, they are also regularly tested by statutory and internal auditors for their effectiveness. The framework is a combination of entity-level controls that include enterprise risk management, legal compliance framework, internal audit and anti-fraud mechanisms such as the Ethics Framework, Code of Conduct, Vigil Mechanism and Whistle-Blower Policy, and process-level controls. The Company has clearly defined the policies, SOPs, Financial & Operation RAPID (Delegation of Authority), and organisational structure to ensure smooth conduct of its business. The extensive risk-based process of internal audits and management reviews provides assurance to the Board with respect to the adequacy and efficacy of internal controls.

Internal audit reports are reviewed by the Audit Committee every quarter. The head of internal audit reports functionally to the Audit Committee and administratively to the Chairman and Managing Director of the Company. Key internal audit findings are presented to the Audit Committee in quarterly meetings. Further more, the Committee also monitors the management actions implemented as a result of the internal audit reviews. Therefore, it conducts regular audits and review processes to ensure that the systems are continuously strengthened to improve effectiveness. The management has evaluated the operative effectiveness of these controls and noted no significant deficiencies or material weaknesses that might impact the financial statements as of 31 March 2023.

The framework comprises of a well defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of authority, ERP controls, among others. IT policies and processes ensure mitigation of business risks through controls. These policies are complimented by a

management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations.

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

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

HUMAN RESOURCES

Your Company strongly believes that to achieve continual success, a dedicated and devoted workforce is very much required to get high performance and improved productivity. This has been endlessly encouraged by evolving human resource management systems and processes of your Company. Your Company believes that its employees are its core strength and accordingly development of people and providing a best-in classwork environment is a key priority for the organization to drive business objectives and goals. Robust HR processes and policies along with Digital HR tools are in place, which enables building a stronger performance culture and at the same time developing current and future leaders.

Further, your Company is strongly focused towards utilisation of its manpower to the optimum level. The positive approach and cordial relationship between the Management and Unions has resulted in smooth industrial relations during the year under review. The relationship has developed over the years and has played a significant role in smooth running of your Company.

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

As on 31st March, 2023, the Company had 106 on roll employees. These employees provide an excellent combination of experienced and young workforce and talented technical managers.

STATUTORY COMPLIANCE

The Board regularly examines the declarations and the compliance report in relation to the applicable statutes, enactments, and rules of the laws applicable to the Company as well as the actions taken by the Company to address any instances of non-compliance, if any. Managing Director gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Results could significantly vary from those stated or inferred. Climate, economic conditions that affect demand-supply and price dynamics in the domestic and international markets where the company operates, changes in governmental regulations, tax laws, and other statutes, as well as other incidental factors, are important variables that could have an impact on the company's operations.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

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

To

The Members

Somi Conveyor Beltings Limited

CIN: L25192RJ2000PLC016480

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

Jodhpur, Rajasthan – 342001

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and the respective Directors, I hereby certify that **none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	Director Identification Number(DIN)
1	Om Prakash Bhansali	00351846
2	Vimal Bhansali	00351851
3	Gaurav Bhansali	00351860
4	Mahendra Rakhecha	00648532
5	Yogesh Maheshwari	01202089
6	Santosh Kumar Joshi	08950339
7	Saraswati Choudhary	09835573
8	Payal Daga	07134985

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

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

Place: Jodhpur

Date: 26th August, 2023

IRA BAXI

Practicing Company Secretary

FCS No.: 5456; CP No.: 4712

UDIN: F005456E000873279

PR No.: 2991/2023

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To,
The Members of
Somi Conveyor Beltings Limited
CIN: L25192RJ2000PLC016480
4F-15, Oliver House, New Power House Road,
Jodhpur, Rajasthan – 342001

This certificate is issued in accordance with the terms of my engagement with Somi Conveyor Beltings Limited ('the Company'). I have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2023.

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

Place: Jodhpur
Date: 26th August, 2023

IRA BAXI
Practicing Company Secretary
FCS No.: 5456; CP No.: 4712
UDIN: F005456E000873301
PR No.: 2991/2023

DECLARATION ON CODE OF CONDUCT

I, O P Bhansali, Managing Director of Somi Conveyor Beltings Limited do hereby confirm and declare that as stipulated under Regulation 34(3) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of my knowledge and belief, Members of the Board of Directors and Senior Management personnel of the Company have affirmed compliance, as on March 31, 2023, with the provisions of Code of Conduct as adopted by the Company.

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

Place: Jodhpur
Date: 4th September, 2023

For Somi Conveyor Beltings Limited

O P Bhansali
Managing Director

CEO/ CFO CERTIFICATION

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

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

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

(a) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2023 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.

(ii) these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the listed entity’s code of conduct.

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

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

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

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

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

For Somi Conveyor Beltings Limited

O.P.Bhansali
Managing Director

Manish Bohra
Chief Financial Officer

Place: Jodhpur
Date: 4th September, 2023

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** (CIN: L25192RJ2000PLC016480) ("the company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (here in after referred to as "Standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Principal Audit Procedures Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2022 to evaluate whether any change was required to management's position on these uncertainties.
2.	Contingent liabilities Contingent liabilities are for ongoing litigation and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and legal proceedings by other parties. Contingent liabilities are considered as key audit matters as the amount involved is significant and it also involves significant management judgment to determine possible outcome and future cash outflows from these disputes. Refer Note no-33	Principal audit procedure: Obtained details of disputed claims as on March 31, 2023 from the management. Discussed with the management about significant judgment considered in determining possible outcome and future cash outflows of these disputes. Verified relevant documents related to disputes. Evaluated the appropriateness of accounting policies, related disclosures made and overall presentation in the Standalone Financial Statements in terms of IND AS 37.

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

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statement that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including OCI, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to standalone financial statements.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statement – Refer to Note 33 to the Standalone Ind AS Financial Statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v) No dividend declared or paid during the year by the Company in compliance with section 123 of the Companies Act, 2013.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 23407752BGUFTC1059

PLACE : JODHPUR
DATED: 30TH MAY, 2023

“Annexure A” to the Independent Auditor’s Report

The annexure referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** for the year ended March 31, 2023, we report that:

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

- (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.
- (ii) Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified on yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company as at 31st march, 2023, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2. INVENTORIES AND WORKING CAPITAL

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

security of current assets. As per the information and explanation given to us, the statement filed by the company with bank are in agreement with the books of accounts of the Company.

3. LOANS & ADVANCES

- (a) The Company has provided loans during the year to various employees against their respective salary in accordance with company policy , total amount advanced to employees during the year of Rs. 17.88 Lacs out of which Rs. 6.66 Lacs was outstanding as on 31.03.2023.
- (b) According to the information and explanation given to us, there are no investments made, guarantees provided, security given where terms and conditions of the grant of all the loans and advances in nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) In respect of loans granted by the Company, the repayments of principal amounts is recovered against the salary of employees which are generally been regular as per stipulation.
- (d) No amount has been overdue hence this clause is not applicable.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii) (f) not applicable.
The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties other than mentioned above.

4. COMPLIANCE OF SECTION 185 & 186

According to information & explanation given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in relation to loans given and investments and providing guarantees and securities, as applicable.

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

5. ACCEPTANCE OF DEPOSITS

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

6. COST RECORDS

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. STATUTORY DUES

- (a) On the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, Goods and Services Tax, duties of customs and other material statutory dues have been generally regular in depositing during the year by the Company with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Services Tax, Cess except as stated below:

Name of the Statute	Nature of dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	7800000.00	A.Y. 2015-16	CIT(Appeal) However, Rs. 1950000.00 paid as 20% of Rs.9750000.00 demand raised. Matter is pending with concerned authority.
Custom Act, 1962	Demand raised for differential custom duties under section 28(4) of Custom Act, 1962	20,66,376.00	April-2019 to June-2019 A.Y. 2020-21	Appeal is pending with Commissioner (Appeal), total demand was of Rs. 22,33,920.00 of which of which 7.5% i.e., Rs. 1,67,544.00 was been deposited to file the appeal.

Custom Act, 1962	Demand raised for differential custom duties under section 28(4) of Custom Act, 1962	13,73,129.00	October-2019 to December-2019 A.Y. 2020-21	Appeal is pending with Commissioner (Appeal), total demand was of Rs. 14,84,464.00 of which of which 7.5% i.e., Rs. 1,11,335.00 was been deposited to file the appeal.
RGST/CGST ACT 2017	Intimation of Liability raised for RCM payable on Personal Guarantee to Bank given by the directors of the company for loan to company.	Rs. 414000.00	2018-19 A.Y. 2019-20	Company management is however do not agree with the demand and submitted refusal to challenge.

8. UNRECORDED INCOME

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

9. DEFAULT IN REPAYMENT OF BORROWINGS

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

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

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

- (a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) therefore clause 3(x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year therefore clause 3(x) (b) of the Order is not applicable.

11.FRAUD

- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) As per the information and according to the explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year therefore there is no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) As per the information and according to the explanations given to us there are no whistle-blower complaints, received during the year by the company;

12.NIDHI COMPANY

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

13.TRANSACTIONS WITH RELATED PARTY

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

14.INTERNAL AUDIT SYSTEM

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

- (a) The company has an internal audit system commensurate with the size and nature of its business;

- (b) We have considered the internal audit reports of the company issued during the year till date in determining the nature, timing and extent of our audit procedures..

15. NON CASH TRANSACTIONS WITH DIRECTORS

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

16. NBFC REGISTRATION

In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC and is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, clause 3(xvi) (a) (b) (c) (d) of the Order is not applicable.

17. CASH LOSSES

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

18. REGISTRATION OF THE STATUTORY AUDITORS DURING THE YEAR

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

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

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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

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

- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx) (b) of the Order is not applicable.

PLACE : JODHPUR
DATED: 30TH MAY, 2023

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 23407752BGUFTC1059

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of SOMI CONVEYOR BELTINGS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Controls over financial reporting of **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, of to the best our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W**

**SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 23407752BGUFTC1059**

**PLACE : JODHPUR
DATED: 30TH MAY, 2023**