

14th
ANNUAL
REPORT
2022

MACHHAR INDUSTRIES LIMITED

Company Information

BOARD OF DIRECTORS

Shri Sandeep Machhar, Managing Director (DIN: 00251892)
Shri Vyankat Waman Katkar, Whole Time Director (DIN: 00980778)
Shri Arvind Machhar, Director (DIN: 00251843)
Shri Ghevarchand M Bothara, Independent Director (DIN: 01616919)
Shri Balaprasad H Tapdiya, Independent Director (DIN: 01295984)
Smt. Rupali Abhijeet Bothara, Independent Director (DIN:03484957)

KEY MANAGERIAL PERSONNEL:-

Shri Anoop Kumar Bawan Shrotriya – Chief Financial Officer
Shri Mahesh Bharat Dube – Company Secretary

AUDITORS

M/s Gautam N Associates
Chartered Accountants,
30, GNA House,
Behind ABC Complex, Adalat Road,
Aurangabad-431001

REGISTERED OFFICE

City Pride Building
1st Floor, FF-107, Jalna Road,
Mondha Naka, Above Domino's
Aurangabad Maharashtra – 431001
Telephone: 0240 2351133, 3590091
Mobile: 09552533328
CIN No. U45202MH2008PLC185168
ISIN No.: INE01BT01015
E-Mail: info@machharinfra.com
EVENT No.: 220454

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, Tower C, 247 Park,
L.B.S. Marg, Vikhroli (W),
Mumbai – 400 083
Tel No. 022 49186000 (Extn: 2331)
M: +91 8591560963 F: +91 22 49186060
Fax No.022-49186060
E-Mail: rnt.helpdesk@linkintime.co.in
SEBI Registration No : INR000004058

BANKERS

HDFC Bank Ltd., Aurangabad
Indian Bank, Panoli
State Bank of India, Waidhan

LOCATION OF PLANTS

i) Plot No 614, GIDC Area, Panoli,
Ankleshwar,
Dist. Bharuch, Gujarat- 394116

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NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of the Shareholders of Machhar Industries Limited ("the Company") will be held on **Thursday, September 29th, 2022** from the place of registered office situated at FF-107, City Pride Building, Jalna Road, Aurangabad – 431 001 at 2.00 P.M IST through Video Conferencing ("VC") / Other Audio – Visual Means ("OAVM") to transact the following businesses:

I) ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March 2022, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the report of the Auditor's and Board's Report thereon.
2. To appoint a director in place of Mr. Vyankat Waman Katkar (DIN: 00980778) who retires by rotation and being eligible offers themselves for re-appointment.
3. To ratify the appointment of M/s Gautam N Associates, Chartered Accountants of Aurangabad as Statutory Auditors of the Company for a further period of one year and to fix their remuneration.
4. **To consider and if thought fit to pass with or without modification(s) the following resolution as a Special resolution for re-appointment of Mrs. Rupali Abhijeet Bothara (Din 03484957) as an Independent Director:-**

"RESOLVED THAT, pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Rupali Abhijeet Bothara (DIN 03484957), who was appointed as an Independent Director and who holds office of Independent director Up to 30th September, 2022 and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office with effect from 1st October, 2022 to 30th September, 2027 for a second term of 5 (five) consecutive years on the Board of the Company."

5. **To consider and if thought fit to pass with or without modification(s) the following resolution as a Special resolution:-**

"RESOLVED THAT, pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013, subject to any modification and re-enactment thereof, the consent of the members of the company be and are hereby accorded to the board of directors to enter into any contract or arrangements with related party M/s. APT Packaging Limited (CIN L24100MH1980PLC022746) with respect to sale, purchase of any goods or material or rendering/availing/providing of any services as per the terms and condition as decided by the board with effect from 1st April, 2022."

"RESOLVED FURTHER THAT, the board of directors of the Company be and are hereby authorized to take such steps as may be necessary for entering into any related party transactions and to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this resolution."

6. **To consider and if thought fit to pass with or without modification(s) the following resolution as a Special resolution:-**

"RESOLVED THAT, pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013, subject to any modification and re-enactment thereof, the consent of the members of the company be and are hereby accorded to the board of directors to enter into any contract or arrangements with related party M/s. Utsav Polymers Products Private Limited (CIN U51900MH1995PTC088461) with respect to sale, purchase of any goods or material or rendering/availing /providing of any services as per the terms and condition as decided by the board with effect from 1st April, 2022."

"RESOLVED FURTHER THAT, the board of directors of the Company be and are hereby authorized to take such steps as may be necessary for entering into any related party transactions and to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this resolution."

7. **To consider and if thought fit to pass with or without modification(s) the following resolution as a as ordinary resolution for Consent in respect of Listing and Trading Approvals from BSE:-**

"RESOLVED THAT, in accordance with the circular number CIR/CFD/CMD/6/2015 (*hereinafter referred to as "the circular"*) dated 13th October, 2015 and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (*hereinafter referred to as "the Listing Regulations"*) notified on 02nd, September, 2015 vide notification number SEBI/LAD/NRO/GN/2015-

16/013 and in furtherance to the Resolution passed by the Board of Directors of the company in the duly held Board Meeting on 29th Day of January, 2021 and in accordance with the relevant provisions of Memorandum and the Articles of Association of the Company and subject to such permissions, sanctions and approvals as may be required in this respect, consent of the Members of the Company be and are hereby accorded to do all the necessary Acts and deeds for getting the Listing, Trading and Other Related and Relevant Approvals from Bombay Stock Exchange (BSE).”

“**RESOLVED FURTHER THAT** members of the company do hereby ratifies all the acts and deeds already done by the Board of Directors in this behalf for getting the Listing, Trading of securities and Other Related and Relevant Approvals from Bombay Stock Exchange (BSE).”

“**RESOLVED FURTHER THAT**, Shri. Sandeep Machhar, Managing Director of the company be and is hereby severally authorized to do all such acts and deeds necessary for the implementation of the above-mentioned Resolution.”

For and on behalf of the Board

For Machhar Industries Limited



Sandeep Machhar
Managing Director
DIN: 00251892

Place: Aurangabad
Date: 14th August 2022

NOTES FOR MEMBERS

1. **VIRTUAL MEETING**

In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has *vide* its General Circular no. 20/2020 dated May 5, 2020 read with General Circular nos.14/2020 and 17 / 2020 dated April 8,2020 and April 13,2020 and General Circular No. 02/2021 dated 13th January, 2021 respectively (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “meeting”), through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. Members participating through the VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act,2013 (“Act”).

Further, the Securities and Exchange Board of India (“SEBI”) *vide* its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May12,2020 (“SEBI Circular”) has granted further relaxations to ensure the AGM is conducted effectively. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 (“SEBI Listing Regulations”) and MCA Circulars the AGM of the Company is being held through VC/OAVM.

The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

2. **ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING**

- a) In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Depositories and Registrar and Transfer Agent (RTA).
- b) Members may note that the Notice and Annual Report 2021-22 will also be available on the website of Link Intime India Private Limited (“LIPL”) i.e. www.instavote.linkintime.co.in, and also available by sending an email request to info@machharinfra.com

3. **REGISTER TO RECEIVE COMMUNICATIONS ELECTRONICALLY**

Members who have not registered/updated their e-mail address or mobile number with the Company/RTA but wish to receive all communication (including Annual Report) from the Company/RTA electronically may register / update their e-mail and mobile numbers on www.instavote.linkintime.co.in.

Members are also encouraged to register / update their e-mail addresses or mobile number with the relevant Depository Participant (DP).

4. **PROXY**

The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

5. AUTHORISED REPRESENTATIVE

Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to csganeshpalve@gmail.com of Mr. Ganesh Palve, Practicing Company Secretary, Aurangabad with a copy marked to the Chief Financial officer at ashrotriya@machharinfra.com, not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 4:00 p.m. on Tuesday, September, 27th, 2022.

6. DOCUMENTS OPEN FOR INSPECTION

Relevant documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act, are uploaded on the website of the LIPL at: www.instameet.linkintime.co.in.

Documents required to be kept open for inspection by the Members at the AGM in terms of the applicable laws, shall be made available on www.instameet.linkintime.co.in.

7. E-VOTING

Pursuant to Section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the resolutions proposed to be passed at AGM, by electronic means. The Company has engaged the services of LIPL to provide the remote-voting facility on Insta Vote and the e-voting system on the date of the AGM on InstaMeet. The Company has appointed Mr. Ganesh Palve, Practicing Company Secretary (holding membership no. ACS 42980 CP. 23264), Proprietor and Practicing Company Secretaries, Aurangabad to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting at the AGM) in a fair and transparent manner.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:-

Item No. 4:-

Mrs. Rupali Bothara is a qualified Chartered Accountant having vast experiences in the field of accounts, finance and taxation since last 10 years. The Company has received consent in writing to act as a Director in Form DIR-2 and Intimation in Form Dir-8 pursuant to Rule 14 (1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that, she is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013. The Board considers that her contribution would be of immense benefit to the Company and it is desirable to avail her services as a Director. Accordingly, the board recommends that the resolution No. 4 in relation to the re-appointment of Mrs. Rupali Abhijeet Bothara as a Independent t Director of the Company, be passed by the shareholders in the Annual General Meeting. The Company is in the process of getting the shares of the Company listed on the Bombay Stock Exchange and to meet the requirement of Listing Obligation and Disclosure Regulations 2015, woman director is proposed for re-appointment. You are requested to pass the above resolution as a Special resolution.

None of the Directors in any way interested in passing of the above resolution except Mr. Ghevarchand Bothara.

Item No. 5:-

- (a) Name of the Related Party: M/s. APT Packaging Limited
- (b) Name of the director or Key managerial personnel who are related : Mr. Sandeep Machhar, Managing Director & Key Managerial Personnel of Machhar Industries Ltd and Mr. Arvind Machhar, Managing Director of APT Packaging Limited are related to each other.
- (c) Nature of Relationship: Mr. Sandeep Machhar and Mr. Arvind Machhar are brothers.

Details of transactions:- The sale and purchase of Specific Machineries and its Parts, Scrap, Chemicals, semi-finished products or Co-extruded plastic tubes cosmetics machinery parts, rendering/providing/availing of any services, etc.

The manufacturing is specific product and the part or product from machinery is neither purchased nor sold to any other buyer except M/s. APT Packaging Limited in the local area who is only the buyer or seller like these types of parts and products or providing or availing of services. Thus, it is not possible for the company to compare the transactions on the basis of Arms length Price with that of any other party. But the transactions can be entered at Cost plus profit margin. Hence, the company has entered the transaction within the limit as prescribed in the Companies Act, 2013 with the prior approval of Board of directors and for which the board recommends members approval in general meeting.

Mr. Sandeep Machhar and Mr. Arvind Machhar directors of the company are interested in this resolution.

Item No. 6:-

- (a) Name of the Related Party: M/s. Utsav Polymers Products Private Limited
- (b) Name of the director or Key managerial personnel who are related : Mr. Sandeep Machhar, Managing Director & Key Managerial Personnel of Machhar Industries Ltd and Mr. Suyog Machhar, Director of Utsav Polymer's Products Private Limited are related to each other.
- (c) Nature of Relationship: Mr. Sandeep Machhar is an uncle of Mr. Suyog Machhar.

Details of transactions: The sale and purchase of Specific Machineries and its Parts, Scrap, Chemicals, semi-finished products or rendering/providing/availing of any services like let-out of properties, other services, etc.

Company is planning to establish Diesel Exhaust Fluid project at the premises of M/s. Utsav Polymers Products Private Limited situated at Gut No. 76, Village Pangara, Paithan Road, Aurangabad. The property belongs to the group company of promoters from whom company has taken plot on rent basis from 1st October, 2021 for establishment of the DIESEL EXHAUST FLUID project. The Rent Agreement executed on 24th March, 2022 and it was mutually decided to paid the rent from actual production started. The let-out cost for the said property for the new projects of the company is very minimal as compared to others. Looking into the cost and other things management has decided to start the said projects in the premises of its own group company. The nature of the transaction like, the sale and purchase of Specific Machineries Parts, Scrap, Chemicals, semi-finished products or rendering/providing/availing of services, let-out of property, services.

M/s. Utsav Polymers Products Private Limited in the local area is only the company who can provide the property/premises/plot for the new projects of the company i.e DIESEL EXHAUST FLUID at cheaper rates along with other facilities. Further the parts and products and services along with facilities required for the new projects are available at the said location of Pharola industrial area. Hence, the company has entered the transaction within the limit as prescribed in the Companies Act, 2013 with the prior approval of Board of directors and for which the board recommends members approval in general meeting.

Mr. Sandeep Machhar and Mr. Arvind Machhar directors of the company are interested in this resolution.

Item No. 7:-

Pursuant to the BIFR order dated 15th November, 2007 and in terms of provisions of companies act, 2013 and SEBI Listing Obligation and Disclosures Requirements regulations, 2015 company with the consent of the board of directors entered into and listing agreement with the Bombay Stock Exchange BSE for the listing and Trading of its securities at main board of exchange. The earlier consent of the board of directors was subject to the approval of members. Hence, looking into the compliance of SEBI regulation and other formalities company and board of directors on voluntary basis would like to recommend members approval for listing and trading of its securities at BSE platform.

None of the directors or key managerial personnel is interested in this resolution.

8. MANDATORY FURNISHING/UPDATING OF PAN, KYC AND NOMINATION DETAILS:-

With reference to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 it is mandatory for the physical shareholders to furnish the details of PAN, KYC, Bank, E- Mail Address, Mobile No. & Nomination. Folio wherein any one of the said details are not available on or after April 01, 2023, shall be frozen and shareholder will not be eligible to lodge grievances or avail service request from the RTA. Please note that the PAN to be furnished by you should be linked with Aadhar. In case the aforesaid details are not furnished, then w.e.f. April 1, 2023, your folio will be frozen by the Registrar, Such frozen securities shall be referred by the Registrars or the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025 . Keeping in view of the above requirements, the members holding shares in physical mode are requested to submit the following documents to the RTA i.e. M/s. Machhar Industries Limited at the earliest.

S. No.	Particulars	Form No.
01.	Request for registering PAN, KYC details, etc.	ISR-1
02.	Confirmation of signature (in case of change/mismatch in signature)	ISR-2
03.	Declaration form for opting –out Nomination	ISR-3
04.	Registration of Nomination	SH-13
05.	Cancellation or variation of existing nomination	SH-14

The forms can also be downloaded from the website from the RTA's at www.linkintime.co.in Kindly send the aforesaid self attested details/documents /forms to the RTA at following address:

Link Intime India Pvt. Ltd. C-101, Tower C, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083 Tel No. 022 49186000 (Extn: 2331) E-Mail: rnt.helpdesk@linkintime.co.in

REMOTE E-VOTING: IMPORTANT DATES

Cut-off date (for dispatch of Annual Reports)	: Friday, 2 nd September, 2022
Cut-off date [for determining the Members entitled to vote on the resolutions set forth in this notice]	Thursday, 22 nd September, 2022

Remote e-voting period [During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting]	Commence from : 9:00 a.m., Sunday, September 25, 2022
	End at : 5.00 p.m., Wednesday, September 28, 2022 [Remote e-voting module shall be disabled for voting thereafter by LI IPL]
URL for remote e-voting	: www.instavote.linkintime.co.in

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are 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://eservices.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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
 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 link in 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 provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. 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. Upon logging in, you will be able to see e-Voting option. 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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below: Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in> 2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID: Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. **Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

- ▶Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab. 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type

Individual Shareholders holding securities in demat mode with NSDL

Individual Shareholders holding securities in demat mode with CDSL

Helpdesk details

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

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 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

* Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’

* Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting i.e at ashrotriya@machharinfra.com .
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

OTHER INFORMATION RELATED TO E-VOTING

- a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. Thursday, September 22, 2022 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- b. Members who have cast their vote by remote e-voting prior to the AGM will be entitled to attend the AGM and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. In case a member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.
- c. Voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 22, 2022.
- d. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the FAQs and e-voting manual available at www.instavote.linkintime.co.in or write an e-mail to enotices@linkintime.co.in or rnt.helpdesk@linkintime.co.in
- e. Every client ID no./ folio no. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.
- f. The members may also update their mobile number and e-mail ID in the user profile details of the irrespective client ID no./folio no., which may be used for sending future communication(s).

GENERAL INSTRUCTIONS

- a. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- b. Shareholders/Members are required to use Internet with a good speed (preferably 2MBPS download stream) to avoid any disturbance during the meeting.
- c. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow e-voting at the AGM.
- d. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- e. The results along with the consolidated Scrutinizer’s Report shall be declared by means of:
 - (i) Dissemination on the website of the LIIPL i.e. www.instavote.linkintime.co.in;

For Machhar Industries Limited



Sandeep Machhar
Managing Director
DIN: 00251892

Place: Aurangabad
Date: 14th August 2022

BOARDS REPORT

To,
The Members of
M/s Machhar Industries Limited
Aurangabad (Maharashtra)

Dear Members,

The Directors are pleased to present their 14th Annual Report on the performance of the Company for the financial year ended on 31st March, 2022.

1. FINANCIAL PERFORMANCE:

(Amount in Lakh)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1,615.14	1,439.60
Other Income	111.47	27.23
Total Revenue	1,726.60	1,466.83
Gross Profit	53.82	68.70
Finance Cost	7.23	16.27
Depreciation and Amortization	46.59	52.42
Profit before Tax & Extraordinary items	126.24	97.58
Tax Expenses	47.80	43.37
Income Tax- Earlier Period	--	4.36
Provision for Tax (Including Deferred Tax)	(10.82)	(192.33)
Profit before Comprehensive Income for the year	89.36	242.16
Other Comprehensive Income / (Expenses)	(7.18)	(38.07)
Profit before Comprehensive Income for the year	96.54	280.24

2. OPERATIONS:

Due to pandemic COVID-19 spread over the country since the month of March, 2021 consequently continuous lockdown announced by the State Government of India during the period under review. The company has managed to reduce its overall cost, resulted into increase in profit before tax from Rs. 97.58 Lakhs to Rs.126.24 Lakhs.

As decided by the Board of directors to sale out the inoperative property including land situated on Plot No 2/A-1 & II, located at IDCO Industrial Area, Jharsuguda, Orissa State of India which has been non-operation mode and no business activity has been done since 1996 as the Chemical division activity has already been closed down in the year 1999. The said property has been sold out in the FY 2021-22 for Rs.32,00,000/- to the party M/s. M.S INFRASTRUCTURE.

As decided by the Board of directors to sale out the inoperative property including land situated on lot No. 48/49, Udyog Deep Industrial Area, Waidhan, Dist. Singrauli (M.P) - 486886 of India which has been non-operation mode and no business activity has been done since 1996 as the Chemical division activity has already been closed down in the year 1999. The said property has been sold out in the FY 2021-22 for Rs.35,00,000/- to the party M/s RASAWAN UDYOG.

Joint Venture

Your directors are planning to diversify the business activity in the field of food processing under a joint venture with another company holding 50% share by each joint venture partner. A separate legal entity M/s Nirvan Nutra Private Limited (CIN No. U15549MH2020PTC343377) has been formed as per joint venture agreement in the previous year. The Lease hold land has been identified and finalized near Aurangabad and part payment has been made for allotment of the same. The Company has also approached to Banker to finance the project. The matter is under discussion and will be completed in the near future.

3. ADOPTION OF IND AS

The Company has already adopted the Indian Accounting Standards ("Ind AS") since last three years. Your Board of directors decided to voluntarily adopt IND AS in preparation of financial statements looking into the requirement of BSE where the listings of securities are under process.

4. DIVIDEND:

During the year under review your Board of Directors does not recommend any dividend for the financial year 2021-22.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. **Conservation of Energy:** The Company has installed the advanced machineries which consumed lower energy than earlier. The company has replaced all the lights with LED lights and better process adopted for starting of plant to that the energy utilization will be minimum.
2. **Technology Absorption:** The Company has not carried any significant work on account of technology absorption.
3. **Foreign Exchange Earning and Outflow:** During the year there was no inflow and the total outflow of foreign currency Rs.1,39,440/-

6. DEPOSIT:

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

7. REMUNERATION TO EMPLOYEES:

None of the directors, employees are getting the remuneration exceeding the prescribed limit under the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014; hence, the related information is not provided.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the year under review, no material changes and commitments have occurred after the close of the financial year till date of this Report, which affect the financial position of the Company.

9. DETAILS OF SUBSIDIARIES OR JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company has a Joint Venture through a formation of separate legal entity M/s Nirvan Nutra Private Limited having 50% ownership of M/s. Utsav Logistics Private Limited and 50% M/s. Machhar Industries Limited respectively as a JV partner of the company since 21/09/2020.

10. DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors wish to inform the members that the Audited Accounts containing Financial Statements for the year 2021-22 are in full conformity with the requirements of the Companies Act, 2013. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and present the Company's financial position and result of operations. These Statements are audited by the Statutory Auditors M/s. Gautam N Associates, Chartered Accountants Aurangabad:

- (i) In the presentation of the financial statements, applicable Accounting Standards have been followed.
- (ii) The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year.
- (iii) That the Directors had 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.
- (iv) That the Directors had prepared the financial statements on a going concern basis; and
- (v) That the Directors had laid down internal financial control system which is followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall in limits specified under the section 135 of the Companies Act, 2013 and Rules made under there.

12. AUDITORS REPORT

There is no adverse remark, qualification given by the auditor; hence, no need to furnish explanation on the same.

13. AUDITORS:

M/s. Gautam N Associates, Aurangabad, Chartered Accountants were re-appointed as the Statutory Auditors of the company under Section 139(1) of the Companies Act, 2013, for a second term of 5 years in the 11th Annual General Meeting held on 30th September 2019.

14. RELATED PARTY TRANSACTIONS

The company had entered into certain transaction with the related parties in terms of the Sec 188 (1) of Companies Act, 2013, and Form AOC- 2 is attached with this report and form part of this report.

15. ABSTRACT OF ANNUAL RETURN

Extract of the annual return as provided under sub-section (3) of section 92 in Form No. MGT-9 is attached herewith.

16. BOARD OF DIRECTORS

The Directors on the Board are experienced, competent, and highly renowned persons from their respective fields. They take active part at the Board Meetings and play critical role on strategic issues, which enhances the transparency and add value in the decision-making process of the Board of Directors

The composition of the Board complies with the provisions of the Companies Act, 2013. The Board of Directors provides leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. The Board of directors consists of following directors:

SR	NAME OF DIRECTOR	DESIGNATION
01.	Sandeep Bhagawatiprasad Machhar	Managing Director
02.	Arvind Krishnagopal Machhar	Director
03.	Vyankat Waman Katkar	Whole Time Director
04.	Balaprasad Harinarayan Tapdiya	Independent Director
05.	Ghevarchand Motilal Bothara	Independent Director
06.	Rupali Abhijeet Bothara	Independent Director

17. NUMBER OF BOARD MEETINGS:

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performance of the Company. During the financial year under review, the Board met 4 Times.

FIRST QUARTER (March to June)	SECOND QUARTER (July to September)	THIRD QUARTER (October to December)	FOURTH QUARTER (January to March)	TOTAL BOARD MEETINGS
30 th June, 2021	13 th August, 2021	13 th November, 2021	14 th February, 2022	Four

18. DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Director of the Company, at the first meeting of the Board of directors gave a declaration to the company that he or she meets the criteria of independence as provided under the law and that he or she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his or her ability to discharge his or her duties with an objective independent judgment and without any external influence.

19. RISK MANAGEMENT

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

20. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has made investments and given advances in accordance with section 186 of the Companies Act, 2013 and the same has been reported in note no 40 to Financial Statement attached.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22.

1. No. of complaints received - Nil
2. No. of complaints disposed off - Nil

22. INSURANCE:

All the properties of the Company including Plant & Machinery, Tankers, Vehicles wherever necessary and to the extent required have been adequately insured.

23. DETAILS OF IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements and that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

24. EVENT OCCURRING AFTER THE BALANCE SHEET DATE:

No such event is occurring between the date of financial statement & board reports which affecting the financial position of the company.

25. LISTING OF SHARES:

During the year under review, Company submitted the final Listing Application along with all supporting to the BSE panel. The application is under process at BSE reviewer team.

26. DE-MATERIALIZATION PROCESS: -

The amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. According to said Regulation, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository from. In view of the above, it is advised to shareholders holding shares in physical form to convert their shares into Demat form as early as possible, as otherwise they will not be able to transfer the shares in physical form.

As on 31.03.2022, out of the total shares of 7,40,866 only 4,04,859 shares have been dematerialized. This amounts to only 54.65% of the entire shares. You are advised to get your shares dematerialized at the earliest.

27. REPORT ON CORPORATE GOVERNANCE:

As the shares of the Company are going to be listed on Bombay Stock Exchange, a report on Corporate governance as required under the Listing Agreement with the Bombay Stock Exchange containing required details is enclosed and forms part of the report of the Board of Directors on voluntary basis.

28. GOING CONCERN STATUS:

The company has not received any significant and material orders passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

29. RELATION WITH EMPLOYEES:

The relation with the employees continued to be cordial during the year. The directors wish to place on record their sincere appreciation for the excellent team spirit with which they have worked for the progress of the Company.

30. DETAILS OF APPLICATIONS MADE OR PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:-

During the year under review there were no applications made or proceedings in the name of the company under the Insolvency Bankruptcy Code, 2016.

31. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:-

During the year under review there has been no one time settlement of loan taken from Bank and Financial institution.

31. ACKNOWLEDGEMENT:

Your directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, customers, vendors and members during the year under review. Your director also wish to place on record their deep sense of appreciation for the services rendered by executive, staff and workers.

32. APPRECIATION:

The Directors place on record their appreciation of the services rendered by Banks and Government Authorities for their continued support.

Place: Aurangabad
Date: 14th August 2022

For and on behalf of the Board
For Machhar Industries Limited



Sandeep Machhar
Managing Director
DIN: 00251892

Form No. AOC-2

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

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

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

Sr. No	Particulars	
1	Name of Related Parties	The Company has not carried out any transaction which are no at arm's length basis
2	Relationship with related parties	
3	Nature of Contract/arrangement/transaction	
4	Duration of the contracts/ arrangements/ transaction	
5	Salient terms of the contracts or arrangements or transaction including the value, if any	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis: The party wise details are given as under: -

1	Name of Related Parties	:	Dimpi Machhar	Utkarsh Machhar
2	Relationship with related parties	:	Spouse of Director	Son of Director
3	Nature of Contract/arrangement/transaction	:	Salary	Salary
4	Duration of the contracts/ arrangements/ transaction	:	Continuous Basis	Continuous Basis
5	Salient terms of the contracts or arrangements or transaction including the value, if any	:	As per Terms of Employment Salary Paid Rs.13,55,200/-	As per Terms of Employment Salary Paid Rs.14,15,480/-
6	Date of approval by the Board	:	10/02/2014	21/05/2014
7	Amount paid as advances, if any	:	Nil	Nil

For and on behalf of the Board



Sandeep Machhar
Managing Director
DIN: 00251892



Vyankat Waman Katkar
Whole Time Director
DIN: 00980778

Place: Aurangabad
Dated: 14th August 2022

MACHHAR INDUSTRIES LIMITED

Regd. Office: FF-107, City Pride, Jalna Road, Dist. Aurangabad (MS) 431001

☎ 0240-2351133, M.9552533328 CIN:U45202MH2008PLC185168, Email: info@machharinfra.com

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U45202MH2008PLC185168
ii.	Registration Date	29/07/2008
iii.	Name of the Company	Machhar Industries Limited
iv.	Category/Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	FF-107, City Pride Building, Jalna Road, Dist. Aurangabad – 431001 0240-2351133
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Registrar and Transfer Agents: Ms/ Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083

II. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	36,286	12,843	49,129	06.63	36,286	12,843	49,129	06.63	-
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	65,572	17,735	83,307	11.24	65,572	17,735	83,307	11.24	-
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Director / Relative	2,35,058	9,167	2,44,225	32.97	2,35,058	9,167	2,44,225	32.97	--
Sub-total(A)(1):-	3,36,916	39,745	3,76,661	50.84	3,36,916	39,745	3,76,661	50.84	--
2) Foreign									
g) NRIs-Individuals	--	--	--	--	--	--	--	--	--
h) Other-Individuals	--	--	--	--	--	--	--	--	--
i) Bodies Corp.	--	--	--	--	--	--	--	--	--
j) Banks / FI	--	--	--	--	--	--	--	--	--
k) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total(A)(2):-	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	330	30,120	30,450	4.11	330	30,120	30,450	4.11	--
b) Banks / FI	3200	025	3225	0.44	3200	025	3225	0.44	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	5,710	5,710	0.77	--	5,710	5,710	0.77	--
g) FIs	--	-	-	-	--	-	-	-	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)									
Sub-total(B)(1)	3530	35,855	39,385	5.32	3530	35,855	39,385	5.32	-
2. Non Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	14094	51619	65713	08.86	14094	51619	65713	08.86	-
(ii) Overseas									
b) Individuals	--	--	--	--	--	--	--	--	--
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	50,189	2,08,498	2,58,687	34.91	24,280	2,34,407	258687	34.91	-
(ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	-	-	-	-	-	-	-	-	--
c) (i) Non Resident Indians	-	420	420	0.06	-	420	420	0.06	--
(ii) Trust	--	-	-	-	--	-	-	-	--
Sub-total(B)(2)	64,283	2,60,537	3,24,820	43.84	38,374	2,86,446	3,24,820	43.84	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	67,813	2,96,392	3,64,205	49.16	41,904	3,22,301	3,64,205	49.16	-
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	4,04,729	3,36,137	7,40,866	100.00	3,78,820	3,62,046	7,40,866	100.00	--

ii. Share-holding of Promoters

Sr. No	Shareholders Name	Shareholding at the beginning of the year			Shareholders Name	Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ARVIND MACHHAR*	115777	15.6273	--	ARVIND MACHHAR	115777	15.6273	--	--
2.	SAHYOG EXHIBITORS (P) LTD.	65572	8.8507	--	SAHYOG EXHIBITORS (P) LTD.	65572	8.8507	--	--
3.	SANDEEP MACHHAR	18730	2.5281	--	SANDEEP MACHHAR	18730	2.5281	--	--
4.	RAVI MACHHAR	15434	2.0831	--	RAVI MACHHAR	15434	2.0831	--	--
5.	NAWNEET BHAGWATIPRASAD MACHHAR	21948	2.9625	--	NAWNEET BHAGWATIPRASAD MACHHAR	21948	2.9625	--	--
6.	ANIL MACHHAR	18340	2.4750	--	ANIL MACHHAR	18340	2.4750	--	--
7.	PRABHA MACHHAR	8572	1.1570	--	PRABHA MACHHAR	8572	1.1570	--	--
8.	PREMA RAVI MACHHAR	7456	1.0064	--	PREMA RAVI MACHHAR	7456	1.0064	--	--
9.	SUNITA MACHHAR	5177	0.6988	--	SUNITA MACHHAR	5177	0.6988	--	--
10.	KRISHNA GOPAL R. MACHHAR	5160	0.6965	--	KRISHNA GOPAL R. MACHHAR	5160	0.6965	--	--
11.	ANIL POLYMERS PVT LTD	5000	0.6749	--	ANIL POLYMERS PVT LTD	5000	0.6749	--	--
12.	KIRAN MACHHAR	23686	3.1970	--	KIRAN MACHHAR	23686	3.1970	--	--
13.	SUYOG MACHHAR	4842	0.6536	--	SUYOG MACHHAR	4842	0.6536	--	--
14.	SHARADARANI B MACHHAR	4000	0.5399	--	SHARADARANI B MACHHAR	4000	0.5399	--	--
15.	SHEETAL MACHHAR	3950	0.5331	--	SHEETAL MACHHAR	3950	0.5331	--	--
16.	SUNIL B MACHHAR	12371	1.6698	--	SUNIL B MACHHAR	12371	1.6698	--	--
17.	PARVATIDEVI KRISHNAGOPAL MACHHAR	3420	0.4616	--	PARVATIDEVI KRISHNAGOPAL MACHHAR	3420	0.4616	--	--
18.	DIMPI SANDEEP MACHHAR	2738	0.3696	--	DIMPI SANDEEP MACHHAR	2738	0.3696	--	--
19.	K RAVI KUMAR HUF	2475	0.3341	--	K RAVI KUMAR HUF	2475	0.3341	--	--
20.	SANDEEP MACHHAR HUF	1935	0.2612	--	SANDEEP MACHHAR HUF	1935	0.2612	--	--
21.	ARPIT ARVIND MACHHAR	1175	0.1585	--	ARPIT ARVIND MACHHAR	1175	0.1585	--	--
22.	ARVIND MACHHAR HUF	929	0.1254	--	ARVIND MACHHAR HUF	929	0.1254	--	--

Sr. No	Shareholders Name	Shareholding at the beginning of the year		Shareholders Name	Shareholding at the end of the year		% change in shareholding during the year	
		No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company		
23.	SARASWATI DEVI MACHHAR	900	0.1215	--	SARASWATI DEVI MACHHAR	900	0.1215	--
24.	VINTI MACHHAR	825	0.1114	--	VINTI MACHHAR	825	0.1114	--
25.	SUNIL B MACHHAR (TRUSTEE OF SBM TRUST)	813	0.1097	--	SUNIL B MACHHAR (TRUSTEE OF SBM TRUST)	813	0.1097	--
26.	ANKA ANIL MACHHAR	737	0.0995	--	ANKA ANIL MACHHAR	737	0.0995	--
27.	KINTU SUNIL MACHHAR	737	0.0995	--	KINTU SUNIL MACHHAR	737	0.0995	--
28.	RAVI MACHHAR (TRUSTEE OF RKM TRUST)	735	0.0992	--	RAVI MACHHAR (TRUSTEE OF RKM TRUST)	735	0.0992	--
29.	SUNIL MACHHAR HUF	725	0.0979	--	SUNIL MACHHAR HUF	725	0.0979	--
30.	SUNIL MACHHAR (TRUSTEE OF SBM TRUST)	706	0.0953	--	SUNIL MACHHAR (TRUSTEE OF SBM TRUST)	706	0.0953	--
31.	NISHCHINT MACHHAR	587	0.0792	--	NISHCHINT MACHHAR	587	0.0792	--
32.	PARVA RAVI MACHHAR	587	0.0792	--	PARVA RAVI MACHHAR	587	0.0792	--
33.	ANKIT MACHHAR	487	0.0657	--	ANKIT MACHHAR	487	0.0657	--
34.	GARVE NAWNEET MACHHAR	487	0.0657	--	GARVE NAWNEET MACHHAR	487	0.0657	--
35.	RAVI MACHHAR HUF	435	0.0587	--	RAVI MACHHAR HUF	435	0.0587	--
36.	UTSAV RAVI MACHHAR	422	0.0570	--	UTSAV RAVI MACHHAR	422	0.0570	--
37.	ANIL MACHHAR HUF	325	0.0439	--	ANIL MACHHAR HUF	325	0.0439	--
38.	UTKARSH MACHHAR	4408	0.5950	--	UTKARSH MACHHAR	4408	0.5950	--
39.	GOPIKISHAN MACHHAR	57	0.0077	--	GOPIKISHAN MACHHAR	57	0.0077	--
40.	SHYAM SUNDER KAMAL KISHORE KABRA HUF	44	0.0059	--	SHYAM SUNDER KAMAL KISHORE KABRA HUF	44	0.0059	--
41.	PARV BENEFICIAL TRUST	715	0.0965	--	PARV BENEFICIAL TRUST	715	0.0965	--
42.	ANKIT BENEFICIAL TRUST	370	0.0499	--	ANKIT BENEFICIAL TRUST	370	0.0499	--
43.	UTKARSH BENEFICIAL TRUST	3280	0.4427	--	UTKARSH BENEFICIAL TRUST	3280	0.4427	--
44.	SUYOG BENEFICIAL TRUST	3730	0.5035	--	SUYOG BENEFICIAL TRUST	3730	0.5035	--
45.	ARPIT BENEFICIAL TRUST	2900	0.3914	--	ARPIT BENEFICIAL TRUST	2900	0.3914	--
46.	GARV BENEFICIAL TRUST	1740	0.2349	--	GARV BENEFICIAL TRUST	1740	0.2349	--
47.	ANIL MACHHAR (TRUSTEE OF ABM TRUST)	1222	0.1649	--	ANIL MACHHAR (TRUSTEE OF ABM TRUST)	1222	0.1649	--
	Total	376661	50.8405	--		376661	50.8405	--

i. Change in Promoters Shareholding (please specify, if there is no change –No Change

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,76,661	50.8405	3,76,661	50.8405
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year	3,76,661	50.8405	3,76,661	50.8405

ii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Reliance Capital Trustee Co. Ltd. (A/c Reliance Vision Fund)				
	At the beginning of the year	25000	3.3744	25000	3.3744
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	25000	3.3744	25000	3.3744

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
2.	Nagarjuna Finance Limited				
	At the beginning of the year	25000	3.3744	25000	3.3744
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	25000	3.3744	25000	3.3744

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
3.	Amrex Marketing Private Limited				
	At the beginning of the year	12500	1.6872	12500	1.6872
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	12500	1.6872	12500	1.6872

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
4.	Thakral Investments Holding Limited (Mauritius)				
	At the beginning of the year	12500	1.6872	12500	1.6872
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	12500	1.6872	12500	1.6872

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
5.	Jayshree Shah				
	At the beginning of the year	10000	1.3498	10000	1.3498
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	10000	1.3498	10000	1.3498

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
6.	Anju Agrawal				
	At the beginning of the year	7860	1.0609	7860	1.0609
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	7860	1.0609	7860	1.0609

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
7.	GIC Assest Management Company				
	At the beginning of the year	5710	0.7707	5710	0.7707
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	5710	0.7707	5710	0.7707

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
8.	Administrator of the Specified Undertaking of the Unit Trust of India				
	At the beginning of the year	5120	0.6911	5120	0.6911
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	5120	0.6911	5120	0.6911

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
9.	L & T Finance Limited				
	At the beginning of the year	4000	0.5399	4000	0.5399
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	4000	0.5399	4000	0.5399

Sl. No	For Each of the Top10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
10	Lance Financial Consultants Pvt Ltd				
	At the beginning of the year	2000	0.2700	2000	0.2700
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year (or on the date of separation, if separated during the year)	2000	0.2700	2000	0.2700

iii. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP SANDEEP MACHHAR	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01.	At the beginning of the year	18730	2.5281	18730	2.5281
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year	18730	2.5281	18730	2.5281

Sl. No.	For Each of the Directors and KMP ARVIND MACHHAR	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
02.	At the beginning of the year	115777	15.6273	115777	15.6273
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the End of the year	115777	15.6273	115777	15.6273

Sl. No.	V. W . KATKAR WHOLE-TIME DIRECTOR & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
03.	At the beginning of the year	5	0.0001	5	0.0001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the End of the year	5	0.0001	5	0.0001

Sl. No.	ANOOP SHROTRIYA CHIEF FINANCIAL OFFICER	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
04.	At the beginning of the year	680	0.0904	680	0.0904
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the End of the year	680	0.0904	680	0.0904

Sl. No.	MAHESH DUBE COMPANY SECRETARY	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
05.	At the beginning of the year	30	0.0040	30	0.0040
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the End of the year	30	0.0040	30	0.0040

Out of old frozen 26039 eq shares 24665 (201 records) equity shares have been credited to respective holders to those demat accounts which were in active mode and 1374 (63 records) equity shares credited to Shares Suspense Account in the name of Machhar Industries Ltd Suspense Account No.IN301549-63350009.

* Out of above 24665 equity shares 400 equity shares credited to demat account of Mr. Arvind Machhar promoter of the Company and remaining 24265 equity shares credited to public holders those who are eligible pursuant to Corporate Action undertaken at CDSL on dated 8th March, 2021.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
(As per SEBI (Listing Obligations and Disclosure Requirements) Regulations) 2015)

1. COMPANY'S PHILOSOPHY:

The Company believes that the code prescribes a minimum framework for governance of a business in corporate framework. The Company has set, as its mission, the implementation of a Corporate Governance system to ensure transparency, control, accountability and responsibility in all areas of operation by way of effective combination of dependent and independent Board members. Corporate Governance is considered as, to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, customers and society in general.

The Company is committed to optimizing long term value for its stakeholders with a strong emphasis on the transparency of its operations and instilling pride of association.

2. BOARD OF DIRECTORS:

The Board of Directors of Machhar Industries Limited consists of two executive directors, two promoter of which one of them is non-executive and three non-executive independent directors who are acknowledged as leading professionals in their respective fields.

The constitution of Board is as under: (as on 31st March 2022)

Director	Category	No. of Directorship (Including MIL)	Membership Committees/ Chairmanship (Including MIL)
Mr. Sandeep Machhar	Promoter & Managing Director	6	1/0
Mr. Vyankat Waman Katkar	Whole Time Director	Nil	Nil
Mr. Arvind Machhar	Promoter & Non-Executive Director	4	0/1
Mr. Ghevarchand Bothara	Non-Executive Independent Director	2	2/2
Mr. Balaprasad Tapdiya	Non-Executive Independent Director	5	3/0
Mrs. Rupali Abhijeet Bothara	Non-Executive Independent Director	2	3/0

None of the director hold directorship in more than 15 companies, membership in committees of board in more than 10 companies and chairmanship of committees of board in more than 5 committees.

Board Meetings

We decide about the Board meeting dates in consultation with all directors. Once confirmed by majority of the directors, notices of board meeting and committee are being sent to them. As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board meeting. Inputs and feedback of Board Members are taken and considered while preparation of agenda and documents for the Board meeting. After the Board meeting, we have a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

Appointment of Directors

Your Board comprises of well-rounded and experienced executive as well as non-executive and professional directors. Each of these members brings the required skills, competence and expertise to the table, which in effect benefits the Company as a whole. During the period, the Board had not appointed any of the director.

The Nomination and Remuneration Committee ensures that the candidates identified for appointment to the post of directors are not disqualified under Section 149, 164 and other applicable provisions of the Companies Act, 2013.

Attendance of Directors at Board Meeting and Annual General Meeting

The Board of Directors of the Company met five times during the financial year, on the following dates:

Sr. No	Date	Board Strength	No of Directors Present
1	30/06/2021	6	6
2	13/08/2021	6	5
3	13/11/2021	6	5
4	14/02/2022	6	5

The attendance at the Board Meetings and Annual General Meeting are as under:

Name of Director	Attendance in Board Meeting	Attendance in AGM held on 30 th September, 2021
Mr. Sandeep Machhar	4	Yes
Mr. Vyankat Waman Katkar	4	Yes
Mr. Arvind Machhar	4	Yes
Mr. Ghevarchand M Bothara	4	Yes
Mr. Balaprasad H Tapdiya	4	Yes
Mrs. Rupali Abhijeet Bothara	4	Yes

3. AUDIT COMMITTEE:

The Company has formed audit committee under the provisions of Rule 6 of Companies (Meeting of Board and its Power) Rule 2014. The constitution of the committee is as under:-

Director	Designation	Category
Mr. Ghevarchand Bothara	Chairman & Member	Independent
Mr. Balaprasad H Tapdiya	Member	Independent
Mrs. Rupali Abhijeet Bothara	Member	Independent
Mr. Sandeep Machhar	Member	Executive-Promoter

Role of Audit Committee:-

- Oversight of financial reporting process.
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
- Evaluation of internal financial controls and risk management Systems
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review with the management, the annual financial statements and Auditor's report thereon before submission to the board for approval, with particular reference.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.

During the year under review the Audit Committee met on 4 times which is as under: -

Sr. No	Date	Members Strength/Present Strength
1	28/06/2021	4
2	11/08/2021	4
3	11/11/2021	4
4	10/02/2022	4

4. NOMINATION AND REMUNERATION COMMITTEE:

- a. Brief description of terms of reference: The Remuneration Committee comprising of Non-Executive Independent Directors, constitution of which is a non-mandatory requirement, was constituted by the Board during the year to recommend/review the Remuneration package of the Managing Director/ Whole-time directors/executive directors.

Role of Nomination and Remuneration Committee: -

- Recommend to the board to setup and composition of the Board and its committees.
 - Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
 - Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual Directors.
 - Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
 - Oversee familiarization programs.
- b. Composition, Name of members & Chairperson: The Remuneration Committee comprises of following members:

Name	Designation	Category
Mr. Ghevarchand M Bothara	Chairman	Independent
Mr. Balaprasad H Tapdiya	Member	Independent
Mrs. Rupali Abhijeet Bothara	Member	Independent

- c. Details of remuneration paid to all directors

The following remuneration has been paid to Mr. Sandeep Machhar, Managing Director and Mr. Vyankat Waman Katkar, Whole Time Director for the year ended 31st March, 2022.

Director	Relation-ship with other directors	Business relation-ship with Company	Loans and advances from Company	Sitting fees Rs.	Salary and Perquisites Rs.	Comm-ission Rs.	Total
Mr. Sandeep Machhar	Related to Mr. Arvind Machhar	Promoter	Nil	Nil	60,63,000	Nil	76,23,000
Mr. Vyankat Waman Katkar	Nil	Nil	Nil	Nil	15,60,000	Nil	15,60,000
TOTAL							91,83,000

5. RISK MANAGEMENT COMMITTEE

The Board of directors has set up Risk Management Committee under the chairmanship of Mr. Sandeep Machhar. Other member of the Committee is Mr. Vyankat Waman Katkar. There is no formal meeting held during the year, however, both the members are regularly review the risk of the business and how to mitigate the same.

6. SHAREHOLDERS/INVESTORS GRIEVANCE REDRESSAL COMMITTEE:

- a. **Name of Non-Executive Director heading the Committee:** The Investors Grievance Redressal Committee comprises two Non-executive Independent Directors and one promoter Non-executive Director. The Committee was headed by Mr. Arvind Machhar, Non-executive Director of the Company, Mr. Balaprasad Tapdiya and Mrs. Rupali Abhijeet Bothara are the members of the Committee.
- b. **Name & designation of Compliance Officer:** Mr. Arvind Machhar, Chairman of committee is the Compliance Officer. He is looking after/resolving the shareholders complaints/grievances.
- c. **Role of Stakeholders Relationship Committee: -**
- Transfer, transmission, split and consolidation of investors holding
 - Dematerialization/re-materialization of shares
 - Non-receipt of dividends and other corporate benefits.
 - Replacement of lost/mutilated/stolen share certificates
 - Non-receipt of Annual Reports and change of addresses, etc.
- d. **Number of shareholders complaints received so far:** During the financial year 2021-22, No complaints were received.
- e. **Number of not solved to the satisfaction of shareholders** : Nil
- f. **Number of pending complaints** : Nil

g. GENERAL BODY MEETING:

The locations and time of the General Meetings held since inception of the Company are as follows:

General Meetings	Date	Time	Venue	No. of Special Resolutions passed
Annual General Meeting	31/12/2021	02.30 pm	Deemed Place of VC Meeting FF-107, City Pride Building, Jalna Road, Aurangabad (MS)	Nil
Annual General Meeting	31/12/2020	02.00 pm	Deemed Place of VC Meeting FF-107, City Pride Building, Jalna Road, Aurangabad (MS)	1

Annual General Meeting	30/09/2019	02.00 pm	J-18, MIDC Industrial Area, Chikalathana, Aurangabad (MS)	Nil
Annual General Meeting	29/09/2018	02.00 pm	J-18, MIDC Industrial Area, Chikalathana, Aurangabad (MS)	Nil
Annual General Meeting	30/09/2017	01.00 pm	J-18, MIDC Industrial Area, Chikalathana, Aurangabad (MS)	Nil

h) DISCLOSURES

- No transaction of material nature has been entered into by the Company with directors or management and their relatives, etc. that may have a potential conflict with the interest of the Company.
- There are certain financial transactions with its Promoters & Directors, which are not conflicting Company's interest. The details of such transactions have been shown in Note No.37 forming part of the financial statement for the year ended 31st March, 2022.
- There has been no instance of non-compliance by the Company on any matter related to capital markets as the shares of the Company are not yet listed.
- The Company has not established any mechanism as referred under Whistle Blower policy.
- The Company has accounted for Gratuity & Leave encashment liability as per the actuarial valuation done by Independent Actuarial Valuer. The company has contributed certain dues to Gratuity Fund created by Life Insurance Corporation; however, during the year, there is no contribution made.

6. GENERAL INFORMATION TO SHAREOLDERS:

a) ANNUAL GENERAL MEETING

* Day, Date and Time: Thursday, 29th September, 2022 at 2.00 PM

* Venue : Virtual meeting from FF-107, City Pride Building, Jalna Road, Aurangabad-431001

b) Book Closure Date : NA

c) Financial/Calendar Year : The Financial year of the Company is 1st April 2021 to 31st March 2022.

d) Dividend Payment Date : No dividend is recommended for the year.

e) Listing of Equity Shares on Stock Exchange:

The company has made application to Bombay Stock Exchange and the application is under process at BSE authority which is further required to be submitted through Listing Portal.

f) Market Price Data: High, Low during each month in last financial year: Not Applicable

g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.: Not Applicable

h) Registrar and Transfer Agents: Link Intime India Pvt. Ltd.

C-101, Tower C, 247 Park,

L.B.S. Marg, Vikhroli (W),

Mumbai – 400 083

Ph. 022 49186000 (Extn: 2331), M: +91 8591560963 F: +91 22 49186060

i) Share Transfer System:

The Company has appointed M/s Link Intime India Private Limited, Mumbai as a Registrar & Share Transfer Agent to carry out the transfer related activities.

Distribution Schedule as on 31st March, 2022 is as given below:

Share Holding of Nominal Value of Rs.10		Shareholders No.	% of Total	Share Amount Rs.	% of Total
From	To				
1	5,000	10,221	99.2234	21,51,060	29.0344
5001	10,000	26	0.2524	1,92,270	2.5952
10,001	20,000	16	0.1553	2,30,570	3.1122
20,001	30,000	6	0.0582	1,59,830	2.1573
30,001	40,000	8	0.0777	2,92,750	3.9515
40,001	50,000	3	0.0291	1,42,500	1.9234
50,001	1,00,000	9	0.0874	6,02,150	8.1277
1,00,001	*****	12	0.1165	36,37,530	49.0984
		10,301	100.0000	74,08,660	100.0000

j) **Dematerialization of shares and liquidity:** 4,04,859 shares (54.65% of total number of shares) are kept in dematerialized form as per request received.

k) **Outstanding GDRs / ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Applicable

l) Plant Locations:

i) Plot No 614, GIDC Area, Panoli, Ankleshwar, Dist. Bharuch, Gujarat- 394116.

m) Address for correspondence:

M/s Machhar Industries Limited
FF-107, City Pride, Jalna Road, Aurangabad-431001
Ph. 0240-2351133,
Email ID: investors@machharinfra.com

By order of the Board



Sandeep Machhar
Managing Director
DIN: 00251892

Place: Aurangabad
Date: 14th August 2022

AUDITORS' CERTIFICATE
REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
Machhar Industries Limited

1. We, Gautam N Associates, Chartered Accountants, the Statutory Auditors of MACHHAR INDUSTRIES LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2022.
8. We 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.

For Gautam N Associates
Chartered Accountants
Firm Registration No 103117W



Gautam

Gautam Nandawat
Partner

Membership No 032742
UDIN:22032742ARHVVH6267

Place: Aurangabad
Dated: 14th August 2022

Independent Auditors Report

To,
The Members of
Machhar Industries Limited
Aurangabad

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Machhar Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, including accounting standards specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2022, its **Profit** and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with Standards on Auditing (SAs) 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 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 financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - b. 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d. 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. 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" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being

- appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) 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, in our opinion and to the best of our information and according to the explanations given to us:
- the company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 31 to the financial statements.
 - The Company does not have long term contracts or derivative contracts which require provision.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Gautam N Associates
Chartered Accountants
FRN 103117W**



Gautam

Gautam Nandawat

Partner

Membership No 032742

UDIN:22032742ARHVVH6267

**Place: Aurangabad
Date: 14th August 2022**

ANNEXURE "A" TO THE AUDITORS REPORT

The Annexure referred to in Independent Auditors Report to the members of the Company on the financial statements for the year ended 31st March 2022, we report that:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible asset.

(b) The company has regular program of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business.

(c) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the title deeds of the immovable properties are held in the name of the company.

(d) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the company has not revalued any Property, Plant & Equipment (including Right of Use assets) or intangible assets during the year.

(e) According to the information and explanations given to us, and on the basis of our examination of the record of the company, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (a) The inventory has been physically verified during the year by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There is no discrepancy of 10% or more noticed during verification between the physical stocks and book records. The discrepancies were not material, which have been properly dealt with in the books of account. The year-end inventory has been physically verified by the management and the same is incorporated as per inventory records and books of account maintained by the company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks, hence clause (ii)(b) of the Order is not applicable.
- (a) As per the information and explanations given to us, the Company has granted loans including advances in the nature of loan to two companies. The aggregate amount of loan granted is Rs.51,65,707 and the balance outstanding at the year-end is Rs. 51,65,707. The company has not given any guarantee and security to any party and has not made any investment during the year.

(b) The terms and conditions for such above mentioned loan and guarantee are not prejudicial to the interest of the Company.

(c) In respect of loans and advances in the nature of loans the schedule of repayment of principal and

payment of interest has not been stipulated; hence we are unable to comment whether the repayments or receipts are regular, overdue, renewed or extended or fresh loan granted to settle the overdue of existing loans given to the same parties;

(d) The company has granted following loans or advances in the nature of loans repayable on demand without any written agreement and without specifying other terms.

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Loan Given	Percentage to the total Loans and Advances in the nature of loans
Related Parties	Loan	Rs. 51,65,707	100%

4. The company has complied with the provisions of section 185 and 186 of the Act in respect of loans granted, investment made, security and guarantee provided, as applicable.
5. The Company has not accepted deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. No maintenance of cost records has been specified by the Central Government under section 148(1) of the Act for the products of the company.
7. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including, investor education protection fund, employees state insurance, income tax, custom duty, cess and other material statutory dues applicable to it. No undisputed amounts payable in respect of income tax, custom duty, excise duty, and cess were in arrears as at 31st March 2022 for a period more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.
8. According to the information and explanations given to us, there are no transactions recorded in the books of account as have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, hence, clause (viii) of Order is not applicable.
9. In our opinion and according to the information and explanations given to us:-
 - a. the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.
 - b. the company is not declared willful defaulter by any bank or financial institution or other lender.
 - c. term loans were applied for the purpose for which the loans were obtained.
 - d. no funds raised on short term basis have been utilized for long term purposes.
 - e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence the clause (ix) (e) of the Order is not applicable.
 - f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies; hence the clause (ix) (f) of the Order is not applicable.
10. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments), preferential allotment or private placement of shares during the year.
11. (a) According to the information and explanations given to us, no fraud by the company or any fraud on the Company has been noticed or reported during the year.
(b) No report under sub-Section (12) of Section 143 of the 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) We have not considered whistle-blower complaints, since there is no complaint received during the year by the Company.
12. The company is not a Nidhi Company as such provisions of the clause (xii) of the Order are not applicable to the company.
13. All transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS standalone financial statements etc., as required by the applicable accounting standards.
14. As per the information and explanation given to us, provisions related to the internal audit are not applicable to the company hence, the clause (xiv) is not applicable.

15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
(b) In Our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
(c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report which infers that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. Since, the company does not satisfy the applicability criteria of Section 135 of the Act, the provisions of Corporate Social Responsibility are not applicable to company.
21. The company has a joint venture with 50% share. However, in view of insignificant transactions, consolidation of financial statement is not carried out.

**For Gautam N Associates
Chartered Accountants
FRN 103117W**



A handwritten signature in blue ink that reads "Gautam Nandawat".

**Gautam Nandawat
Partner**

**Membership No 032742
UDIN:22032742ARHVVH6267**

**Place: Aurangabad
Dated: 14th August 2022**

ANNEXURE "B" TO THE AUDITORS' REPORT

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

1. We have audited the internal financial controls over financial reporting of **Machhar Industries Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 (ICAI). 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 the 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 Act.

Auditors Responsibility

3. 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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 financial statements, whether due to fraud or error.
5. 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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Gautam N Associates
Chartered Accountants
FRN 103117W**



**Gautam Nandawat
Partner**

**Membership No 032742
UDIN:22032742ARHVVH6267**

**Place: Aurangabad
Dated: 14th August 2022**

MACHHAR INDUSTRIES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2022

(Amount in ₹)

PARTICULARS	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
Assets			
I) Non-Current Assets			
a) Property, Plant and Equipment's	3	6,28,09,489	7,85,45,482
b) Capital work in progress	4	6,78,715	-
c) Financial Assets			
(i) Investment	5	50,000	50,000
(ii) Others	6	51,65,707	50,04,480
d) Deferred Tax Assets (Net)		-	-
e) Other Non-current Assets	7	10,47,397	8,56,444
		6,97,51,308	8,44,56,406
II) Current Assets			
a) Inventories	8	7,71,105	3,77,696
b) Financial Assets			
(i) Investment	9	42,29,668	76,76,652
(ii) Trade Receivables	10	1,75,39,542	1,23,60,824
(iii) Cash and cash equivalents	11	3,81,43,853	3,40,53,298
c) Current Tax Assets (Net)	12	30,87,440	27,19,476
d) Other current assets	13	50,25,071	72,49,626
		6,87,96,679	6,44,37,572
Total Assets		13,85,47,987	14,88,93,978
Equity and Liabilities			
Equity			
a) Equity Share Capital	14	74,08,660	74,08,660
b) Other Equity	15	10,21,12,850	9,77,73,247
		10,95,21,510	10,51,81,907
Liabilities			
I) Non-Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	16	10,42,954	86,230
b) Provisions	17	10,69,282	15,04,474
c) Deferred tax liabilities (Net)	18	35,63,471	46,45,509
d) Other non-current liabilities		-	-
		56,75,707	62,36,213
II) Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	19	3,20,204	1,42,43,238
(ii) Trade Payables	20	1,64,17,256	1,73,96,370
b) Other current Liabilities	21	23,01,591	47,60,939
c) Provisions	22	10,57,264	10,75,312
d) Current Tax Liabilities (Net)	23	32,54,454	-
		2,33,50,770	3,74,75,858
Total		13,85,47,987	14,88,93,978

Notes referred to above form an integral part of the financial statements.

As per our report of even date attached


For Gautam N Associates
Chartered Accountants
FRN 103117W




Gautam Nandawat
Partner
Membership No. 032742
Place: Aurangabad
Dated: 14th August 2022
UDIN: 22032742ARHVVH6267

For and on behalf of the Board of Directors


Sandeep Machhar
Managing Director
DIN: 00251892


Anoop Shrotriya
Chief Financial Officer


Vyankat Waman Katkar
Whole Time Director
DIN: 00980778


Mahesh Dube
Company Secretary

MACHHAR INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

(Amount in ₹)

PARTICULARS	Note No.	For the year ended on 31 st March 2022	For the year ended on 31 st March 2021
REVENUE			
Revenue from operations	24	16,15,13,538	14,39,60,049
Other Income	25	1,11,46,556	27,23,367
Total Revenue		17,26,60,095	14,66,83,416
EXPENSES			
Cost of Material Consumed		-	-
Purchase of traded goods		-	-
Employees Benefit Expenses	26	1,97,65,015	1,92,09,854
Finance Costs	27	7,23,200	16,27,309
Depreciation and Amortization	3	46,59,040	52,42,408
Other expenses	28	13,48,78,847	11,08,46,195
Total Expenses		16,00,26,102	13,69,25,767
Profit/(Loss) before tax		1,26,33,993	97,57,649
Tax Expenses			
Income Tax – Current		47,80,310	43,40,470
Income Tax – Earlier Period		--	4,36,704
Income Tax – Deferred Assets		(10,82,038)	(1,92,33,133)
Profit/(Loss) for the period for the continuing operations		89,35,721	2,42,13,608
Other Comprehensive Income			
A. (i) Items that will not be reclassified to Profit and Loss on account of remeasurement of employee's benefits and Investments		(7,18,332)	(38,07,261)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		-	-
B. (i) Items that will be reclassified to Profit and Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit and Loss		-	-
Total Comprehensive Income		96,54,053	2,80,20,869
Earning per Equity Share			
1) Basic		13.03	37.82
2) Diluted		13.03	37.82

Notes referred to above form an integral part of the financial statements

As per our report of even date attached


For Gautam N Associates
Chartered Accountants
FRN 103117W


 

Gautam Nandawat
Partner
Membership No. 032742
Place: Aurangabad
Dated: 14th August 2022
UDIN: 22032742ARHVVH6267

For and on behalf of the Board of Directors


Sandeep Machhar
Managing Director
DIN: 00251892


Anoop Shrotriya
Chief Financial Officer


Vyankat Waman Katkar
Whole Time Director
DIN: 00980778


Mahesh Dube
Company Secretary

MACHHAR INDUSTRIES LIMITED

CASH FLOW STATEMENT THE YEAR ENDED ON 31ST MARCH, 2022

(Amount in ₹)

PARTICULARS		2021-2022		2020-2021	
A	Cash flow from operating activities				
	Profit/ (Loss) after Tax & Extra ordinary items		1,26,33,993		97,57,649
	Adjustment for				
	i) Depreciation & Amortization	46,59,040		52,42,408	
	ii) Interest Paid / Financial Charges	7,23,200		16,27,309	
	iii) Provision for Gratuity & Leave Encashment	(4,53,240)		4,32,234	
	iv) Interest Received	(33,57,140)		(24,15,191)	
	v) (Profit) on Sale of Fixed Assets	(56,57,749)		(13,559)	
	vi) Dividend Received	(3,72,803)		(1,73,531)	
	vii) Loss on Sale of Fixed Assets	46,14,658		2,92,412	
	viii) Profit on sale of shares/mutual funds (Net)	(6,67,080)		-	
	vix) Other Comprehensive Loss (Income)	7,18,332		38,07,261	
	Total		2,07,218		87,99,343
	Operating profit / (loss) before working capital changes		1,28,41,210		1,85,56,993
	i) Trade Receivable	(51,78,719)		25,84,365	
	ii) Loans & Advances and other Current & Non-Current Assets	20,33,602		(9,81,425)	
	iii) Inventories	(3,93,409)		(1,55,140)	
	iv) Other current Liabilities	(25,59,347)		9,05,952	
	v) Trade Payable	(9,79,114)	(69,76,986)	(94,05,103)	(70,51,351)
	vi) Income Tax Paid		(18,93,820)		(17,03,149)
	Net cash from operating activities (Total a)		39,70,405		98,02,493
B	Net flow from investment activities				
	i) Purchase and payment for Fixed Assets	(22,51,681)		(3,29,522)	
	ii) Sale of Investment	41,14,064		(34,28,552)	
	iii) Dividend Received	3,72,803		1,73,531	
	iv) Long Term advances	(1,61,227)		(1,86,305)	
	v) Short Term Advances	-		-	
	vi) Sale of Fixed Assets	83,78,560		5,13,559	
	vii) Interest Received	33,57,140		24,15,191	
	Net flow from investment activities (Total b)		1,38,09,659		(8,42,099)
C	Cash flow from financial activities				
	i) Repayment of Term Loan Borrowings	9,56,724		(8,02,596)	
	ii) Proceeds from / (Repayment) of Short-Term Borrowings	(1,39,23,033)		(91,92,650)	
	iii) Interest paid / Financial Charges	(7,23,201)		(16,27,309)	
	Net flow from financial activities (Total c)		(1,36,89,510)		(1,16,22,555)
	Closing balance (A+B+C)		40,90,554		(26,62,161)
	Cash and Cash equivalent opening balance		3,40,53,299		3,67,15,460
	Cash and Cash equivalent closing balance		3,81,43,853		3,40,53,299



Cash & Cash Equivalent Comprise off

Cash On Hand	33,348	55,549
Balance in Banks in current account	28,50,808	11,21,605
Fixed deposit with Bank	3,39,28,390	3,07,72,614
Interest accrued on the fixed deposits	13,31,307	21,03,530
	3,81,43,853	3,40,53,298

Note: The cash flow statement have been prepared as per Indirect Method according to Accounting Standard-3 Cash Flow Statement issued by the Institute Chartered Accountants of India.

As per our report of even date attached


For Gautam N Associates
Chartered Accountants
FRN 103117W





Gautam Nandawat
Partner
Membership No. 032742
Place: Aurangabad
Dated: 14th August 2022
UDIN: 22032742ARHVVH6267

For and on behalf of the Board of Directors


Sandeep Machhar
Managing Director
DIN: 00251892


Vyankat Waman Katkar
Whole Time Director
DIN: 00980778


Anoop Shrotriya
Chief Financial Officer


Mahesh Dube
Company Secretary

MACHHAR INDUSTRIES LIMITED

Statement of Changes in Equity for financial year ended on March 31st, 2022

A. Capital

(Amount in ₹)

Types of Capital	Balances at the beginning of the year at the reporting period	Changes in the equity shares during the year	Balance at the end of the reporting period
A. Equity Share Capital	74,08,660	-	74,08,660

B. Other Equity

(Amount in ₹)

Particular	Reserves and Surplus		Other Comprehensive Income (Investment)	Total
	Capital Reserve-Business Re-organisation	Retained Earning		
Balances at the beginning of the year 01.04.2021	63,62,091	8,94,96,973	19,14,183	9,77,73,247
Changes in the accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the year on account of fair valuation	-	-	-	-
Profit for the year	-	89,35,721	7,18,332	96,54,053
Total Comprehensive Income for the year	-	-	-	-
Decrease in value of Land	-	(53,14,450)	-	(53,14,450)
Transfer from Retained Earnings	-	-	-	-
Balance at the end of the reporting period 31.03.2022	63,62,091	9,31,18,244	26,32,515	10,21,12,850

Statement of Changes in Equity for financial year ended on March 31st, 2021

A. Capital

(Amount in ₹)

Types of Capital	Balances at the beginning of the year at the reporting period	Changes in the equity shares during the year	Balance at the end of the reporting period
A. Equity Share Capital	74,08,660	-	74,08,660

B. Other Equity

(Amount in ₹)

Particular	Reserves and Surplus		Other Comprehensive Income (Investment)	Total
	Capital Reserve-Business Re-organisation	Retained Earning		
Balances at the beginning of the year 01.04.2020	63,62,091	10,33,67,365	(18,93,078)	10,78,36,378
Deferred Tax Liability on account of fair value of assets	-	-	-	-
Restated balance at the beginning of the year on account of fair valuation	-	-	-	-
Profit for the year	-	2,42,13,608	38,07,261	2,80,20,869
Total Comprehensive Income for the year	-	-	-	-
Decrease in value of land	-	(3,80,84,000)	-	(3,80,84,000)
Depreciation on re-instated value	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Balance at the end of the reporting period 31.03.2021	63,62,091	8,94,96,973	19,14,183	9,77,73,247

For Gautam N Associates
Chartered Accountants
FRN 103117W




Gautam Nandawat
Partner
Membership No. 032742
Place: Aurangabad
Dated: 14th August 2022
UDIN: 22032742ARHVVH6267

For and on behalf of the Board of Directors


Sandeep Machhar
Managing Director
DIN: 00251892


Vyankat Waman Katkar
Whole Time Director
DIN: 00980778


Anoop Shrotriya
Chief Financial Officer


Mahesh Dube
Company Secretary

NOTE NO. 1

GENERAL INFORMATION:

The company is registered under the Companies Act, 1956 having CIN: U45202MH2008PLC185168. The registered office of the company is situated at FF-107, City Pride Building, Jalna Road, Aurangabad – 431001 (Maharashtra). The company is engaged in the business of conversion of Ammonium Nitrate Melt into Solid form on Job work basis in its plant situated at Plot No. 614, GIDC Panoli – 394116 Dist. Bharuch (Gujarat). The company has also its plant at Jharsuguda (Orissa) and Waidhan (MP) where the manufacturing activities have remained suspended.

NOTE NO. 2

SIGNIFICANT ACCOUNTING POLICIES:

Statement of Compliance

The company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standard. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Reconciliations and descriptions of the effect of the transitions have been summarized in the annexed notes no 26.

a) General:

- i. The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act..
- ii. All Expenses and Income to the extent considered payable and receivable respectively with reasonable certainty, unless specifically stated to be otherwise, are accounted for on accrual basis.
- iii. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current non-current classification of assets and liabilities.

b) Property, Plant and Equipment:

- i) Property, Plant And Equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at **deemed cost** less and accumulated depreciation.
- ii) Depreciation on the fixed assets which have been valued at fair market has been provided based upon the useful life of the assets as prescribed by Independent Valuer

Particulars	Useful life as per Schedule II of the Act	Useful Life as prescribed by independent Valuer
Factory Building	30	36
Plant & Equipment (Used in Chemical Industry)	20	19
Electrical installation	10	19
Computer	3	5
Furniture and fixture	10	5
Transportation tanker	6	8
Vehicle four-wheeler	8	5
Vehicle two-wheeler	10	5
Office equipment	5	9
Lab equipment	10	5
Bar code scanner	5	3

- iii) Depreciation on additions is being provided on pro-rata basis from the following month of such additions.
- iv) Depreciation on assets sold, discarded or demolished during the year is being provided at their rates up to the month in which such assets are sold, discarded or demolished.
- v) Premium on leasehold land has been amortized (written off) proportionately over the period of lease.

c) Impairment of Fixed Assets:

The fixed assets comprising of Land, Building and Plant & Machinery have been valued by the approved valuer at a reasonable interval in order to comply with the requirement of AS-28. Impairment of other fixed assets is considered based on their residual value.

d) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost is assigned on the FIFO basis. In case of finished Goods and goods in process, cost includes material cost, labor and overhead expenses inclusive of depreciation.

e) Sales and Income Recognition.

- i. Sales are stated and recognized at net value i.e. Exclusive of all taxes.
- ii. Transportation receipts are accounted on booking of vehicles.
- iii. Job work invoices are raised on the completion of job work.
- iv. Interest is accounted for on the accrual basis.
- v. Dividend is accounted for as and when it is received.

f) Retirement Benefits:

- i. Contribution to the Provident Fund is made monthly as per the provisions of the Provident Fund Act.
- ii. The provision for Gratuity and Leave Encashment is accounted for as per the actuarial valuation conducted by an Actuary.
- iii. The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year

Defined benefit costs are composed of:

- (a) service cost – recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.
- (b) remeasurements of the liability or asset - recognized in other comprehensive income.
- (c) remeasurements of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

Short-term benefits: A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short-term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Other long-term benefits: Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

g) Government Grants:

Grants in the nature of project capital subsidy are credited to capital reserve.

h) Taxes on Income:

- (i) Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.
- (ii) Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.
- (iii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered
- (iv) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
- (v) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- (vi) Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
- (vii) Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.
- (viii) The Company recognizes interest levied and penalties related to Income Tax assessments in the tax expense.

i) Borrowing costs:

In case of period of construction / installation of the qualifying fixed assets which takes more than a year, borrowing costs that are directly attributable to the acquisition / construction of the assets are capitalized as part of respective asset, up to the date of acquisition / completion of construction. Other borrowing costs are recognized as expenses in the period in which they are incurred.

j) Use of Estimates:

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of Financial Statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

k) Provision and Contingent Liabilities

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

m) Cash and Cash Equivalents:

In the Statement of Cash Flows, cash and cash equivalents includes cash on hand, demand and short-term deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

n) Financial Assets at Amortized Cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

o) Financial Assets At Fair Value through Other Comprehensive Income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payment of the principal and interest on the principal amount outstanding.

p) Financial Assets at Fair Value Through Profit or Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

q) Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

r) Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. The Company recognizes equity instruments at proceeds received net off direct issue cost.

s) Reclassification of Financial Assets

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

t) Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is no intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

u) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

NOTE NO. 3. PROPERTY, PLANT & EQUIPMENT'S**Tangible Assets**

(Amount in ₹)

Particulars	Gross Block				Depreciation / Impairment				Net block	
	As on 01.04.2021	Addition	Deletion/ Revaluation	As on 31.03.2022	As on 01.04.2021	For the Year	Deletion	As on 31.03.2022	31.03.2022	31.03.2021
Lease Hold Land	4,25,84,000	-	1,04,23,000	3,21,61,000	40,60,534	4,40,562	22,86,049	22,15,047	2,99,45,953	3,85,23,466
Factory Buildings	1,69,28,204	-	56,60,037	1,12,68,168	30,30,366	3,78,875	14,81,205	19,28,036	93,40,132	1,38,97,839
Plant & Machineries	3,35,90,726	-	2,35,000	3,33,55,726	1,14,83,980	25,55,024	-	1,40,39,004	1,93,16,722	2,21,06,746
Furniture & Fixtures	3,39,754	-	-	3,39,754	2,34,992	50,721	-	2,85,713	54,042	1,04,763
Office Equipment's	13,02,605	35,384	-	13,37,989	8,59,394	1,03,896	-	9,63,290	3,74,699	4,43,211
Vehicles	81,11,564	14,85,633	6,16,455	89,80,742	49,49,634	10,58,662	5,27,069	54,81,227	34,99,515	31,61,930
Computers	10,89,396	51,949	-	11,41,345	7,91,619	71,300	-	8,62,919	2,78,426	2,97,776
TOTAL	10,39,46,249	15,72,966	1,69,34,492	8,85,84,725	2,54,10,519	46,59,040	42,94,323	2,57,75,236	6,28,09,488	7,85,45,482
Previous Year	14,34,80,042	3,29,522	3,98,63,316	10,39,46,249	2,11,45,263	52,42,408	9,86,904	2,54,10,519	7,85,45,482	

Note: One vehicle is registered in the name of an employee of the Company.

(Amount in ₹)

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 4 CAPITAL WORK IN PROGRESS		
Building	6,78,715	-
	6,78,715	-

4.1. Capital Work in Progress ageing schedule

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	-	6,78,715	-	-	-	6,78,715
iii) Disputed dues- MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	6,78,715	-	-	-	6,78,715

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 5 FINANCIAL ASSETS - INVESTMENT		
Unsecured considered good		
Investment in Equity Shares - Joint Venture (Un-Quoted, at cost) - 5000 shares of Rs. 10 each	50,000	50,000
	50,000	50,000

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 6 FINANCIAL ASSETS - OTHERS		
Unsecured considered good		
Advances to an associate & Joint Venture Company	51,65,707	50,04,480
	51,65,707	50,04,480

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 7 OTHER NON-CURRENT ASSETS		
Security Deposit	10,47,397	8,56,444
	10,47,397	8,56,444

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 8 INVENTORIES		
Raw Materials	-	-
Stores and Spares	2,37,340	67,110
Packing Materials	5,33,765	3,10,587
	7,71,105	3,77,696

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 9 CURRENT INVESTMENTS		
Non – Traded (At Market Value)		
Investment in Equity Shares (Quoted)	42,29,668	44,35,930
Investment in Mutual Fund (Quoted)	-	32,40,722
	42,29,668	76,76,652

(Amount in ₹)

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 10		
TRADE RECEIVABLES		
Unsecured; considered good		
Due for a period exceeding six months	1,18,575	1,18,575
Others	1,74,20,967	1,22,42,249
	1,75,39,542	1,23,60,824

10.1 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	
i) Undisputed Trade receivables – considered good	1,74,20,967	-	-	1,18,575	-	1,75,39,542
ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	
iii) Disputed Trade Receivables - considered good	-	-	-	-	-	
iv) Disputed dues - Disputed Trade – Receivables considered doubtful	-	-	-	-	-	
Total	1,74,20,967	-	-	1,18,575	-	1,75,39,542

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 11		
CASH AND CASH EQUIVALENTS		
Cash on Hand	33,348	55,549
Balance with Banks		
In Current Account	28,50,808	11,21,605
In Fixed Deposit Account	3,39,28,390	3,07,72,614
Interest accrued on the fixed deposits	13,31,307	21,03,530
01. FDRs amounting to Rs.28,09,470 (Previous year Rs.28,09,470) are earmarked for Bank Guarantee.		
02. FDRs having maturity period beyond 12 months Rs.23,53,350 (Previous year Rs. 1,73,49,982)		
	3,81,43,853	3,40,53,298

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 12		
CURRENT TAX ASSETS (NET)		
Income Tax Refund receivable	30,87,440	27,19,476
	30,87,440	27,19,476

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE – 13		
OTHER CURRENT ASSETS		
Balances with Government Department	31,96,739	62,21,537
Staff Advances	1,40,764	1,01,106
Receivable against Sale of fixed Assets	8,40,000	-
Advance to suppliers	60,790	-
Prepaid expenses	7,86,778	9,26,983
	50,25,071	72,49,626

PARTICULARS		As at 31/03/2022	As at 31/03/2021	
NOTE -- 12				
SHARE CAPITAL				
Authorized				
10,00,000 (Previous year 10,00,000) Equity Shares of ₹ 10 Each		1,00,00,000	1,00,00,000	
Issued, Subscribed & Paid up		1,00,00,000	1,00,00,000	
7,40,866 equity shares of ₹ 10 each fully paid up		74,08,660	74,08,660	
Add: Allotted during the year		-	-	
7,40,866 equity shares of ₹ 10 each fully paid up		74,08,660	74,08,660	
01. Reconciliation of Equity Shares				
Equity Shares	As at 31/03/2022		As at 31/03/2021	
	No. of Share	Amount	No. of Share	Amount
At the beginning of the year	7,40,866	74,08,660	7,40,866	74,08,660
Add: Issued during the year	--	--	--	--
Outstanding at the end of year	7,40,866	74,08,660	7,40,866	74,08,660
02. The list of shareholders who holds the shares 5% or more				
Name of Share Holder	As at 31/03/2022		As at 31/03/2021	
	No. of Share	%	No. of Share	No. of Share
1) Sahyog Exhibitors Pvt. Ltd.	65,572	8.85	65,572	8.85
2) Arvind Machhar	1,15,777	15.63	1,15,777	15.63
3) Equity shareholders are eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.				
4) The company has not issued any bonus share during last five financial years.				
5) Promoters Share Holding				
Sr. No	Promoter Name	Shares held by promoters at the end of the year		
		No. of Shares	% of Total Shares	% change during the year
1	Arvind Machhar	115777	15.6273	-
2	Sahyog Exhibitors (P) Ltd.	65572	8.8507	-
3	Sandeep Machhar	18730	2.5281	-
4	Ravi Machhar	15434	2.0831	-
5	Nawneet Bhagwatiprasad Machhar	21948	2.9625	-
6	Anil Machhar	18340	2.4750	-
7	Prabha Machhar	8572	1.1570	-
8	Prema Ravi Machhar	7456	1.0064	-
9	Sunita Machhar	5177	0.6988	-
10	Krishna Gopal R. Machhar	5160	0.6965	-
11	Anil Polymers Pvt Ltd	5000	0.6749	-
12	Kiran Machhar	23686	3.1970	-
13	Suyog Machhar	4842	0.6536	-
14	Sharadarani B Machhar	4000	0.5399	-
15	Sheetal Machhar	3950	0.5331	-
16	Sunil B Machhar	12371	1.6698	-
17	Parvatidevi Krishnagopal Machhar	3420	0.4616	-
18	Dimpi Sandeep Machhar	2738	0.3696	-
19	K Ravi Kumar HUF	2475	0.3341	-
20	Sandeep Machhar HUF	1935	0.2612	-
21	Arpit Arvind Machhar	1175	0.1585	-
22	Arvind Machhar HUF	929	0.1254	-
23	Saraswati Devi Machhar	900	0.1215	-
24	Vinti Machhar	825	0.1114	-
25	Sunil B Machhar (Trustee Of SBM Trust)	813	0.1097	-
26	Anka Anil Machhar	737	0.0995	-
27	Kintu Sunil Machhar	737	0.0995	-
28	Ravi Machhar (Trustee Of RKM Trust)	735	0.0992	-
29	Sunil Machhar HUF	725	0.0979	-
30	Sunil Machhar (Trustee Of SBM Trust)	706	0.0953	-
31	Nishchint Machhar	587	0.0792	-
32	Parva Ravi Machhar	587	0.0792	-
33	Ankit Machhar	487	0.0657	-
34	Garve Nawneet Machhar	487	0.0657	-
35	Ravi Machhar HUF	435	0.0587	-
36	Utsav Ravi Machhar	422	0.0570	-
37	Anil Machhar HUF	325	0.0439	-
38	Utkarsh Machhar	4408	0.5950	-
39	Gopikishan Machhar	57	0.0077	-
40	Shyam Sunder Kamal Kishore Kabra HUF	44	0.0059	-
41	Parv Beneficial Trust	715	0.0965	-
42	Ankit Beneficial Trust	370	0.0499	-
43	Utkarsh Beneficial Trust	3280	0.4427	-
44	Suyog Beneficial Trust	3730	0.5035	-
45	Arpit Beneficial Trust	2900	0.3914	-
46	Garv Beneficial Trust	1740	0.2349	-
47	Anil Machhar (Trustee Of ABM Trust)	1222	0.1649	-
TOTAL		3,76,661	50.8405	0.00%

(Amount in ₹)

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 15		
OTHERS EQUITY		
Business Re-organisation account	63,62,091	63,62,091
Statement of Profit & Loss	9,31,18,244	8,94,96,972
OCI - Investment	26,32,515	19,14,183
	10,21,12,850	9,77,73,247

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 16		
NON CURRENT BORROWINGS		
SECURED		
Term Loan		
(Secured by way of hypothecation of vehicles)	10,42,954	86,230
	10,42,954	86,230

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 17		
NON CURRENT PROVISIONS		
Retirement Benefit Payable	32,79,902	48,74,616
Less : Contribution to LIC Gratuity Fund	(29,67,232)	(43,83,600)
	3,12,670	4,91,016
Compensated Abscesses (Non-Funded)	7,56,612	10,13,458
	10,69,282	15,04,474

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 18		
DEFERRED TAX ASSETS (NET)		
Deferred Tax Liability		
Difference in WDV of Fixed Assets	42,60,048	55,04,359
	42,60,048	55,04,359
Deferred Tax Liability		
Expenses disallowed u/s 43B of Income Tax	3,60,854	4,69,093
Retirement Benefit	3,35,723	3,89,757
	6,96,577	8,58,850
Deferred Tax (Assets) / Liability (Net)	35,63,471	46,45,509

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 19		
CURRENT BORROWINGS		
SECURED		
Overdraft from Banks	-	1,33,54,411
(Secured by pledge of fixed deposit receipts with Bank)		
Current maturities of long terms debts	3,20,204	8,88,827
	3,20,204	1,42,43,238

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 20		
TRADE PAYABLES		
Sundry Creditors	1,64,17,256	1,73,96,370
	1,64,17,256	1,73,96,370

20.1. The parties covered under the said Act have been identified based on the intimation regarding their status submitted to the company.

20.2 Trade Payables ageing schedule

(Amount in ₹)

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	1,17,000	-	-	-	-	1,17,000
ii) Others	-	1,63,00,256	-	-	-	1,63,00,256
iii) Disputed dues- MSME	-	-	-	-	-	
iv) Disputed dues - Others	-	-	-	-	-	
Total	1,17,000	1,63,00,256	-	-	-	1,64,17,256

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 21		
OTHER CURRENT LIABILITIES		
Payable to Employees	17,36,301	18,76,021
Statutory Liabilities	5,65,291	28,84,918
	23,01,591	47,60,939

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 22		
CURRENT PROVISION		
Retirement Benefit (Non-Funded)	8,94,100	10,08,050
Compensated Abscesses (Non-Funded)	1,63,164	67,262
	10,57,264	10,75,312

PARTICULARS	As at 31/03/2022	As at 31/03/2021
NOTE -- 23		
CURRENT TAX LIABILITIES (NET)		
Income Tax (Net of TDS of Rs.15,14,356)	32,54,454	-
	32,54,454	-

PARTICULARS	For the year ended on 31 st March 2022	For the year ended on 31 st March 2021
NOTE -24		
REVENUE FROM OPERATIONS		
Sales of Services:		
Processing Charges	6,52,56,279	5,25,37,629
Transportation Receipts	9,62,57,290	9,14,22,420
	16,15,13,538	14,39,60,049
NOTE -25		
OTHER INCOME		
Interest on Bank Deposits / Others	33,57,140	24,15,191
Profit on Sale of Mutual Fund	8,60,508	-
Profit on Sale of Equity Share	7,54,792	840
Dividend Received	3,72,803	1,73,531
Profit on Sale of Assets	56,57,749	13,559
Sundry Balance Written Back	1,23,364	79,847
Security Guard Escorting	20,200	40,400
	1,11,46,556	27,23,367

(Amount in ₹)

PARTICULARS	For the year ended on 31 st March 2022	For the year ended on 31 st March 2021
NOTE –26		
EMPLOYEES BENEFIT EXPENSES		
Salaries and Wages	72,13,138	64,68,585
Remuneration to Directors	76,23,000	74,21,364
Contract Labour	29,43,125	28,26,619
Bonus	3,82,620	4,25,907
Contribution to PF & Pension Fund	6,26,749	6,59,089
Compensated Abscesses	1,36,796	4,21,755
Retirement Benefit	7,18,332	7,94,020
Workmen & Staff Welfare Expenses	1,21,255	1,92,515
	1,97,65,015	1,92,09,854
NOTE –27		
FINANCE COSTS		
Interest to Bank Loans – Term Loan	75,214	1,41,311
Interest to Bank Loans – Working Capital	6,44,547	13,52,238
Interest to others	3,439	1,33,760
	7,23,200	16,27,309
NOTE –28		
OTHER EXPENSES		
A. MANUFACTURING EXPENSES		
Stores & Spares consumed	11,06,095	6,78,663
Packing Material consumed	77,99,997	49,89,895
Power & Fuel consumed	92,52,969	62,15,989
Water	1,50,332	1,22,901
Repairs to Machinery	7,11,436	7,53,093
Tanker Running & Maintenance Expenses	15,17,558	13,73,184
Transportation Expenses	8,74,45,744	8,12,99,232
Security Expenses	5,54,400	5,54,400
	10,85,38,531	9,59,87,357
B. ADMINISTRATIVE EXPENSES		
Rates & Taxes	10,32,935	5,39,167
Rent	5,16,388	3,48,647
Insurance	18,60,002	22,39,490
Payment to Statutory Auditors		
Statutory Audit Fee	1,00,000	1,00,000
Tax Audit Fee	30,000	30,000
Postage	50,778	37,822
Telephone Charges	1,97,490	1,26,832
Printing & Stationery	79,174	91,584
Vehicles Running and Maintenance	10,79,820	5,96,688
Legal & Professional Charges	4,60,283	5,37,621
Travelling Expenses	16,16,428	3,01,679
Bank Charges	6,961	47,314
Office & Miscellaneous Expenses	4,91,505	4,91,841
Loss on Sale of Equity Share	9,48,220	2,92,412
Sundry Balances written off	-	1,12,839
Loss on Sale of Fixed Assets	46,14,658	-
Repair to other Assets	1,17,375	90,273
Donation	69,000	1,15,000
	1,32,71,018	60,99,208
C. SELLING AND DISTRIBUTION EXPENSES		
Loading & Unloading Expenses	97,15,398	65,43,126
Business Promotion Expenses	42,000	34,000
Security Guard & Escorting Expenses	33,11,900	21,82,505
	1,30,69,298	87,59,631
	13,48,78,847	11,08,46,195

NOTE NO. -- 29
Fair Value Measurement

(Amount in ₹)

Sr. No	Particular	Carrying Amount		Fair Value	
		as at 31st March 2022	as at 31st March 2021	as at 31st March 2022	as at 31st March 2021
FINANCIAL ASSETS					
Financial Assets measured at amortised cost					
a)	Non-Current Investment	50,000	50,000	50,000	50,000
b)	Security Deposits	10,47,397	8,56,444	10,47,397	8,56,444
c)	Current Investment	42,29,668	76,76,652	42,29,668	76,76,652
d)	Advance to Companies & Associates Concern	51,65,707	50,04,480	51,65,707	50,04,480
e)	Trade Receivable	1,75,39,542	1,23,60,824	1,75,39,542	1,23,60,824
g)	Cash on hand	33,348	55,549	33,348	55,549
h)	Bank Balance	3,81,10,505	3,39,97,749	3,81,10,505	3,39,97,749
FINANCIAL LIABILITIES					
Financial Liabilities measured at amortised cost					
a)	Non- Current Borrowings	10,42,953	86,230	10,42,953	86,230
b)	Current Borrowings	3,20,204	1,42,43,238	3,20,204	1,42,43,238
c)	Trade Payable	1,64,17,256	1,73,96,370	1,64,17,256	1,73,96,370
d)	Current Maturity of Long term debts	3,20,204	8,88,827	3,20,204	8,88,827
e)	Other Payables	23,01,591	47,60,939	23,01,591	47,60,939

The management assessed that the fair values of short-term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale

The Company determines fair values of financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortized cost, using the effective interest method.

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value: -

- a) Fair value of short-term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b) The fair value of the Company's interest borrowing received are determined using discount rate reflects the entity's borrowing rate as at the end of the reporting period. The own nonperformance risk as at the end of reporting period was assessed to be insignificant.

Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level-1

Quoted (unadjusted) price is active market for identical assets or liabilities

Level-2

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level-3

Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observation of market data.

30. Financial Instruments and Risk Review

i) Capital Management:

The Company's capital management objectives are: -

The Board policy is to maintain a strong capital base so as to maintain creditors and market confidence and to future development of the business. The Board of Directors monitors return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

Particular	As at 31st March 2022	As at 31st March 2021
Net Debts (A) *	(3,22,30,821)	(1,20,47,179)
Equity (B)**	10,95,21,510	10,51,81,907
Debt Ratio (A/B) %	(29.43)	(11.45)

* Net Debts includes non-Current borrowings, Current borrowings, Current Maturities of non-current borrowing net off Current Investment and cash and cash equivalent.

** Equity includes equity and others equity.

ii) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted offer necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivable investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables.

As on	Amount in Rs
31st March, 2022	1,75,39,542
31st March, 2021	1,23,60,824

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or group of financial assets is impaired. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Before accending any new customer, the Company uses an external/internal credit scoring system to asses potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed periodic basis

iii) Liquidity Risk

a) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the tables have been draw up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particular	31st March 2022		31st March 2021	
	Less than 1 year	Less than 1 year	Less than 1 year	Less than 1 year
Financial Liabilities				
Trade Payables	1,64,17,256	-	1,73,96,370	-
Working capital demand Loan	-	-	1,33,54,411	-
Loan/Term Loan (at variable rate)	3,20,204	10,42,954	8,88,827	86,230
Total	1,67,37,461	10,42,954	3,16,39,608	86,230

c) Maturities of Financial Assets -

iv) Market Risk

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.

31. The company is contingently liable for: -

- i) Fiscal liabilities that may arise on account of non-observance of provisions of various fiscal statutes, Companies Act and other related laws and interest chargeable on demands raised and not paid, if any. Amount unascertainable.
 - ii) The Bank guarantee issued amounting to Rs 23,01,118 (Previous year Rs 23,01,118).
32. Hon'ble High Court of MP, Jabalpur in the matter of W.P. Number 33 of 2000 vide its order dated 03/12/2014 had ordered Northern Coalfields Limited to pay the dues for the supply of bulk explosives for the period 01/04/1998 to 19/04/1999. As the assets and liabilities of chemical division of erstwhile Anil Chemical and Industries Limited now belong to Machhar Industries Limited, Consequently the company was to receive Rs.60,00,404/- from Northern Coalfields Limited. Out of the said amount an amount of Rs.8,85,202/- has been received on 13.03.2018 and same has been accounted for in financial year 2017-18. However, for the balance payment, Northern Coalfields Limited has not agreed to release the same. Against that, the company filed a writ petition No. 11121 of 2018 before Hon'ble High Court of MP at Jabalpur in respect of recovering the said amount. The said petition has been disposed of by stating that company should approach NCL and satisfy them about releasing the dues. The company filed a detailed representation before NCL but still NCL has again denied our claim, hence the company again approached before the Madhya Pradesh Hon'ble High Court, bench at Jabalpur vide petition number 21720 of 2019 for recovery of money. The matter is still pending.
33. The accounts of certain trade receivable, trade payable, Loans and Advances including certain debit balances are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.
34. During the year, manufacturing operations remained suspended at the plants of the company situated at Jharsuguda (Odisha) and Waidhan (MP).

35. SEGMENT REPORTING:

Broadly by all criteria, the activities of the company fall in the segments as detailed below.

Criteria	Segment
Product base for operating revenue and assets	1. Explosives 2. Transportation
Geographical Area of Operation	Domestic market / Overseas market

A. Primary Segment: Business segment

The operations of the company fall within two business segments i.e. Explosives segment & Transportation segment. The financial data for segment reporting are as follows.

(Amount in lakhs)

Sr No	Particulars	For the Financial Year ended on 31/03/2022			For the Financial Year ended on 31/03/2021		
		Explosive Division	Transportation Division	Total	Explosive Division	Transportation Division	Total
	Revenue						
A	Sale of Services	652.15	962.57	1,614.72	525.38	914.22	1,439.60
B	Profit/(Loss) before Dep. and Interest	16.14	73.21	89.36	78.11	88.16	166.27
C	Interest Expenses	6.48	0.75	7.23	14.95	1.32	16.27
D	Depreciation & Impairment	32.58	14.01	46.59	38.41	14.01	52.42
F	Net Profit/Loss	(22.92)	58.45	35.53	24.75	72.83	97.58

Other Information

Sr No	Particulars	For the Financial Year ended on 31/03/2022			For the Financial Year ended on 31/03/2021		
		Explosive Division	Transportation Division	Total	Explosive Division	Transportation Division	Total
G	Segmental Assets (Including Current & non-current assets)	1,279.60	105.88	1,385.48	1,369.61	105.88	1,475.49
H	Less Depreciation & Impairment	193.03	64.72	257.75	203.30	50.71	254.01
I	Net Assets	1,086.57	41.16	1,127.73	1,210.67	77.10	1,287.78
J	Segmental Liabilities	290.26	-	290.26	414.78	8.89	423.67

B. Secondary Segment: Geographic Segment

The geographic segment identified, as secondary segment is "Domestic Market".

Particulars	For the Financial Year ended on 31/03/2022			For the Financial Year ended on 31/03/2021		
	Explosive Div.	Transportation Div.	TOTAL	Explosive Div.	Transportation Div.	TOTAL
A Domestic	652.15	962.57	1,614.72	525.38	914.22	1,439.60
TOTAL	652.15	962.57	1,614.72	525.38	914.22	1,439.60

36. **Director Remuneration:**

Amount in ₹

Particulars	Managing Director	
	Current Year	Previous Year
i. Salary	73,14,000	57,54,000
ii. Perquisites	57,000	57,000
iii. Contribution to Provident Fund	2,52,000	2,41,500
TOTAL	76,23,000	60,52,500

Amount in ₹

Particulars	Whole Time Director	
	Current Year	Previous Year
i. Salary	15,60,000	11,44,800
ii. Perquisites	--	65,000
iii. Contribution to Provident Fund	--	1,09,710
vi. Leave Encashment	--	74,200
TOTAL	15,60,000	13,93,710

Gratuity and leave encashment have been valued based upon the actuarial valuation for all the employees as such, the bifurcation for directors and others is not available; hence, the same is not provided.

37. **Related parties disclosure as per Ind-AS 24:**

a) List of related parties

1. Associates:-

- APT Packaging Limited

2. Relative of Director:-

- Mrs. Dimpi Machhar, Manager Administrative
- Mr. Utkarsh Machhar, Manager Marketing

3. Key Management Personnel:-

- Mr. Sandeep Machhar, Managing Director
- Mr. Vyankat Waman Katkar, Whole Time Director
- Mr. Anoop Shrotriya, Chief Financial Officer
- Mr. Mahesh Dube, Company Secretary

b) Transactions carried out with related parties as referred to in (a) above, in the ordinary course of the business:

Name of party	Nature of Transaction	Amount in ₹ 2021-2022	Amount in ₹ 2020-2021
Dimpi Machhar	Salary	13,55,200	12,40,400
Utkarsh Machhar	Salary	14,15,480	13,87,160
Sandeep Machhar	Salary	76,23,000	60,52,500
Vyankat Waman Katkar	Salary	15,60,000	13,93,710
Anoop Shrotriya	Salary	7,44,438	6,79,764
Mahesh Dube	Salary	3,07,273	2,77,030
Apt Packaging Limited	Interest Receipts	1,77,258	1,63,636

c) Outstanding with the related parties

Name of party	Outstanding as on 31 st March 2022	Outstanding as on 31 st March 2021
APT Packaging Limited	₹ 21,29,365 Dr	₹ 19,69,538 Dr

Notes: -

- 37.1 Related party relationship is as identified by the Company and relied upon by the Auditors.
37.2 No amounts in respect of related parties have been written off during the year. Also, no accounts have been provided for as doubtful debts.

38. **EMPLOYEE BENEFITS:**

The company has classified the various benefits provided to employees as under

Defined Contribution Plans: Provident Fund

During the year, the Company has recognized the following amounts in the Statement of Profit & Loss.

Particulars	Current Year ₹	Previous Year ₹
Employers Contribution to Provident Fund	6,23,857	6,57,481
Employers Contribution to Staff Welfare Fund	2,892	1,608

Defined Benefit Plans

The company has contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year ₹	Previous Year ₹
Discount Rate	7.27%	6.82%
Salary escalation rate	10.00%	10.00%
Expected rate of return on Plan Assets	7.27%	6.82%
Expected average remaining service of employee in the number of years	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2022

a) Change in Present Value of Defined Benefit Obligation

Particulars	Current Year ₹	Previous Year ₹
Present value of obligations at the beginning of the year	58,82,666	54,43,453
Current Service Cost	3,23,800	3,00,343
Interest Cost	4,01,198	3,72,332
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(2,469)	-
Actuarial (Gain) / Loss due to change in Financial Assumptions	(1,71,443)	8,908
Actuarial (Gain) / Loss due to Experiences	(6,29,596)	1,12,437
Benefit paid	-	-
Benefit paid from Fund	(16,30,154)	(3,54,807)
Past Service Cost	-	-
Present value of obligations at the end of the year	41,74,002	58,82,666

b) Change in Fair value of plan assets

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	43,83,600	44,64,965
Expected return on plan assets	2,98,962	3,05,404
Employer's contributions	-	-
Actuarial gain / (loss) on plan assets	(85,176)	(31,962)
Benefit paid	(16,30,154)	(3,54,807)
Fair value of plan assets at the end of the year	29,67,232	43,83,600

c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2022

Particulars	Current Year	Previous Year
Administered by Life Insurance Corporation of India	100%	100%

d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

Particulars	Current Year ₹	Previous Year ₹
Present value of funded obligations as at the end of the year	41,74,002	58,82,666
Fair value of plan assets as at the end of the year	29,67,232	43,83,600
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	12,06,770	14,99,066
Present value of unfunded (assets) / obligations as at the end of the year	12,06,770	14,99,066
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year	12,06,770	14,99,066

e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2022

Particulars	Current Year ₹	Previous Year ₹
Current Service Cost	3,23,800	3,00,343
Interest Cost	4,01,198	3,72,332
Actual return on plan Assets (Net)	(2,13,786)	(2,13,786)
Net Actuarial (Gain) / Loss recognized in the year	(8,03,508)	1,21,345
Past Service cost	-	-
Net (income) / expense	(2,92,296)	5,80,234

f) **Detail of Present value of obligation, Plan Assets and Experience Adjustments**

Particulars	Current Year ₹	Previous Year ₹
Present value of obligation	41,74,002	58,82,666
Fair value of plan assets	29,67,232	43,83,600
(Surplus) / Deficit	12,06,770	14,99,066
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

g) **Amount recognized in Other Comprehensive Income (OCI)**

Particulars	Current Year ₹	Previous Year ₹
Amount recognized in OCI, Beginning of Period	--	--
Remeasurements due to:		
Effect of Change in financial assumptions [C]	--	--
Effect of Change in demographic assumptions [D]	--	--
Effect of experience adjustments [E]	(8,03,508)	1,21,345
Actuarial (Gains)/Losses (C+ D +E)	(8,03,508)	1,21,345
Return on plan assets (excluding interest)	85,176	(31,962)
Total remeasurements recognized in OCI	--	--
Amount recognized in OCI, End of Period	--	--

h) **Expected contributions to Gratuity Fund next year ₹ 10,00,000 (Previous Year ₹ Nil)**

The liability for leave encashment and compensated absences as at year end is Rs.9,17,776 (Previous year liability Rs. 10,80,720)

39. **Earnings Per Share:**

The basic and diluted EPS is calculated as under:

Particulars	Current Year ₹	Previous Year ₹
Profit / (Loss) available for equity share holders	96,54,053	2,80,20,869
Weighted average number of Equity Shares of Rs.10 Each	7,40,866	7,40,866
Earning per share	13.03	37.82
Diluted Earning per share	13.03	37.82

40. **Value of raw material, stores & spares consumed during the year:**

	As at 31/03/2022 Amount in ₹	%	As at 31/03/2021 Amount in ₹	%
I). RAW MATERIAL				
Imported	NIL	NIL	NIL	NIL
Indigenous	NIL	NIL	NIL	NIL
II. STORES AND SPARES				
Imported	NIL	NIL	NIL	NIL
Indigenous	11,06,095	100	6,78,663	100

41. **Income/expenditure in foreign currency:**

PARTICULARS	As at 31/03/2022 Amount in ₹	As at 31/03/2021 Amount in ₹
i) Earning in foreign exchange	NIL	NIL
ii) CIF value of Imports of Material	NIL	NIL
iii) Expenditure in foreign currency traveling.	NIL	NIL
iv) Capital equipment's	NIL	NIL

42. **Outstanding dues to Micro and Small Enterprises:**

Particulars	Year Ended on 31/03/2022	Year Ended on 31/03/2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest due and payable towards suppliers registered under MSMED Act, for payment already made	NIL	NIL
Further interest remaining due and payable for earlier years	NIL	NIL

Note: - This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.

43. **Details related to Investments made, Loans and Advances given and security provided as per section 186 of the Companies Act 2013.**

Name of the Party	Resolution Passed on	Limit prescribed in resolution	Loan granted during the year	Amount outstanding as on 31st March, 2021	Maximum outstanding during the year
Loans and Advances		1,00,00,000			
Apt Packaging Limited			-	21,29,365	21,29,365
Nirvan Nutra Private Limited			-	30,36,342	30,36,342

44. The company has used the borrowings from banks for the purpose for which it was taken at the balance sheet date.
45. **Details of Benami Property held** - No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
46. The Company has not made borrowings from banks on the basis of security of current assets.
47. **Wilful Defaulter** - The company is not declared wilful defaulter by any bank or financial Institution or other lender during the year.
48. **Relationship with Struck off Companies** - During the year, the company has not carried out any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
49. **Registration of charges or satisfaction with Registrar of Companies** - During the year, the company is not required to register / satisfy charges on the assets of the Company with the Registrar of Companies.
50. **Utilisation of Borrowed funds and share premium:** The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
51. **Undisclosed income** - There is no case of search or survey of any other cases related to income surrendered or disclosed in any tax assessments under the Income Tax Act, 1961.
52. The company has not invested in Crypto Currency or Virtual Currency, hence related details are not provided.

53. Various Ratios

Name of Ratio	Numerator	Denominator	Current Year	Previous Year	Variation in %	Reasons for variation
			Ratio			
Current Ratio (Times)	Current Assets	Current Liabilities	2.95	1.72	71.35	Due to repayment of bank overdraft resulted into lowering current liability
Debt-Equity Ratio (Times)	Debts (Long and Short Term)	Equity and Others Equity	0.01	0.14	90.86	Repayment of term borrowings
Debts Service Ratio (Times)	Profit before Interest and Tax	Term Liabilities	12.69	14.53	-12.68	No explanation required
Return on Equity Ratio (%)	Profit After Tax	Equity Capital	130%	378%	-65.55	In the previous year, the company has recorded deferred tax assets.
Inventory Turnover Ratio (Days)	Inventories	Turnover	2	1	100.00	Increase in the inventory
Trade Receivables Turnover Ratio, (Days)	Trade Receivable	Turnover	40	31	26.47	Major transaction with IOCL which has 45 days payment cycle.
Trade Payables Turnover Ratio, (Days)	Trade Payable	Turnover	37	44	-15.88	No explanation required
Net Capital Turnover Ratio (times)	Net Working Capital	Turnover	28.14%	18.73%	50.24	Due to repayment of bank overdraft resulted into lowering current liability
Net Profit Ratio (%)	Net Profit after tax	Turnover	5.98%	19.46%	-69.29	During the previous year, the expenses were lower in view of COVID, now expenses has increased
Return on Capital Employed (%)	Net Profit after tax	Capital Employed	8.81%	26.64%	-66.91	
Return on Investment (%)	Net Profit after tax	Investment	8.81%	26.64%	-66.91	

54. Previous year figures have been regrouped, rearranged and re-casted wherever necessary. Figure in brackets relate to previous year.


**For Gautam N Associates
Chartered Accountants
FRN 103117W**




**Gautam Nandawat
Partner
Membership No. 032742
Place: Aurangabad
Dated: 14th August 2022
UDIN: 22032742ARHVVH6267**

For and on behalf of the Board of Directors


**Sandeep Machhar
Managing Director
DIN: 00251892**


**Vyankat Waman Katkar
Whole Time Director
DIN: 00980778**


**Anoop Shrotriya
Chief Financial Officer**


**Mahesh Dube
Company Secretary**