



SOLITAIRE MACHINE TOOLS LIMITED

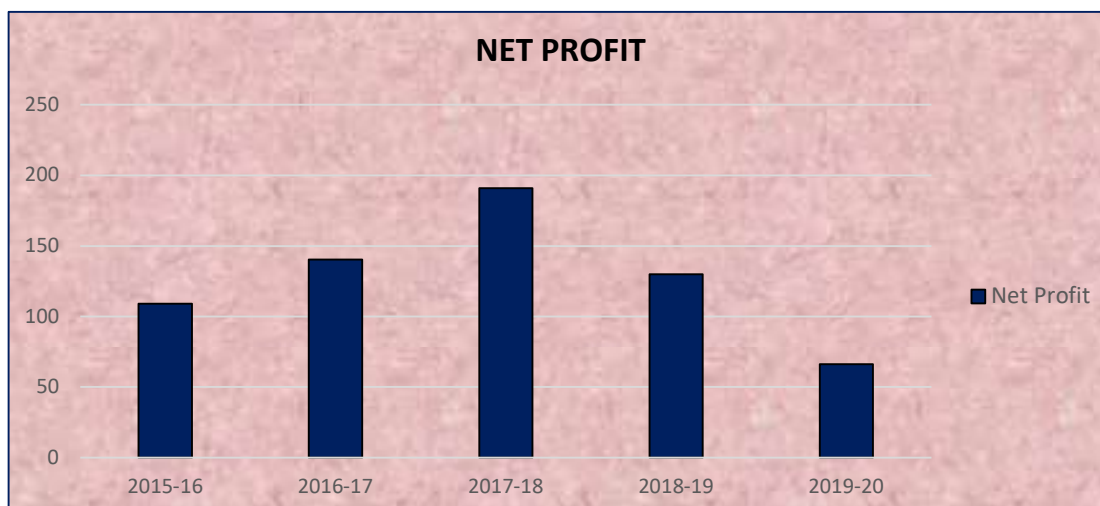
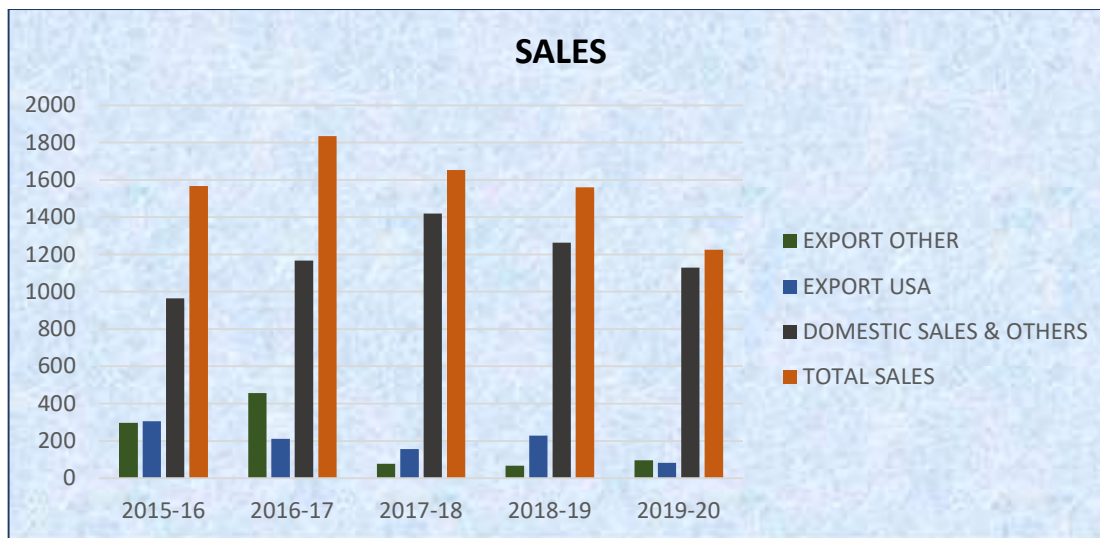
28TH ANNUAL REPORT 2019-20

SOLITAIRE MACHINE TOOLS LIMITED

KEY FINANCIAL INDICATORS FOR LAST FIVE YEARS

(Rs In Lacs)

YEAR	2015-16	2016-17	2017-18	2018-19	2019-20
Sales	1564.49	1834.06	1652.55	1559.64	1226.07
Raw Material Cost	695.70	899.00	785.55	901.88	818.16
Payment to Employees & Directors	190.11	262.41	280.76	304.11	300.21
Manufacturing & Other Expense	277.06	359.41	296.68	292.99	265.75
Depreciation	73.49	76.10	90.91	98.37	119.38
Net Profit	108.86	140.35	190.92	129.79	66.07



SOLITAIRE MACHINE TOOLS LIMITED

**ANNUAL REPORT
AND
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH, 2020**

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BOARD OF DIRECTORS

Mr. A.J. Sheth
Mr. H.J. Badani
Mr. Harsh Badani
Ms. Shilpa Taneja
Mr. Bharat V Shah
Mr. Nilam M Patel
Ms. Kesha K Thakkar
Ms. Nishita G Rajput

Managing Director
Managing Director
Whole Time Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

CORPORATE MANAGEMENT

Mr. A.J. Sheth
Mr. H.J. Badani
Mr. Harsh Badani
Mr. N.M.B. Khan
Ms. Barkha Arora

Managing Director
Managing Director
Whole Time Director
Dy. General Manager (Finance & Corporate Affairs)
Company Secretary and Compliance Officer

REGISTERED & CORPORATE OFFICE

Shop 3-A, Floor-Bas, Plot 731, Part 3, Arun Chamber,
Pandit Madan Mohan Malviya Marg, Tardeo, Mumbai-
400034, Tel: 022 66602156

PLANTS

PLANT I

292, Dharamsinh Desai Marg, Chhani Road,
Vadodara- 390002
Tel: 9904408538
Email: sales@smtgrinders.com

PLANT II

A-24/25, Krishna Industrial Estate, Gorwa,
Vadodara-390016 Tel: 0265 6580010
Email: sales@smtgrinders.com

WEBSITE

www.smtgrinders.com

AUDITORS

Ajay Shobha & Co
Chartered Accountants, Mumbai

BANKER

Yes Bank, 2nd Floor, Corner Square Building,
Near Inox, Race Course, Baroda-390007

SHARE TRANSFER AGENT

Link Intime India Pvt Ltd
C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai 400083

SECRETARIAL CONSULTANT

Kiri and Associates
Practicing Company Secretaries, Vadodara

NOTICE TO MEMBERS

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of Solitaire Machine Tools Limited will be held through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) on Monday, 07th September, 2020 at 11:00 a.m.

ORDINARY BUSINESS

Item No. 1- Adoption of Financial Statements

To consider and adopt the Audited Standalone Financial Statements for the year ended March 31, 2020 and Report of the Directors and Auditors thereon.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Financial Statements for the financial year ended 31st March, 2019 together with the report of Directors and Auditors thereon, be and are hereby approved and adopted.”

Item No. 2- Declaration of dividend

To approve and declare dividend recommended by the Board for the Financial Year ended March 31, 2020.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT the recommendation of the Board of Directors for the payment of 7.5% dividend viz. Rs. 0.75 Per share on paid up equity capital of the company be and is hereby approved and the dividend so declared.

Item No. 3- Appointment of director in place of those retiring by rotation

To appoint Mr. Hemandra Badani (DIN: 00143330), who retires by rotation and being eligible offers himself for re-appointment as a director.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Mr. Hemandra Badani (DIN: 00143330), Director of the company, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement by rotation.”

Item No. 4- Appointment of director in place of those retiring by rotation

To appoint Mr. Harsh Badani (DIN: 02282965), who retires by rotation and being eligible offers herself for re-appointment as a director.

To consider and pass the following as Ordinary resolution:

“RESOLVED THAT Mr. Harsh Badani (DIN: 02282965), Director of the company, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement by rotation.”

SPECIAL BUSINESS

Item No. 5- Re-appointment of Mr. Ashok J Sheth (DIN: 00174006) as Managing Director and Chairman

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 196, 197, 198 and 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard consent of members of the Company be and is hereby accorded for the re-appointment of Mr. Ashok J Sheth (DIN: 00174006) as Managing Director and Chairman of the Company for a period of 5 years from 07.09.2020 to 07.09.2025.

RESOLVED FURTHER THAT Mr. Ashok J Sheth (DIN: 00174006) shall receive a remuneration of Rs. 90,000/- per month with Performance Bonus and additional perquisites like use of Company’s Car, Provident fund, Gratuity, Reimbursement of one Telephone line at residence, Reimbursement of Electricity bill at residence and of any other expenses incurred in the due course of performing his duties as Chairman and Managing Director.

RESOLVED FURTHER THAT the remuneration for the above period may be reviewed from time to time and such remuneration should be within the limits of Schedule V and other applicable provisions of Companies Act 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Item No. 6- Re-appointment of Mr. Hemandra Jayantilal Badani (DIN- 00143330) as Managing Director and Vice Chairman

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 196, 197, 198 and 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard consent of Members of the Company be and is hereby accorded for the re-appointment of Mr. Hemandra Jayantilal Badani (DIN- 00143330) as Managing Director and Vice Chairman of the Company for a period of 5 years from 08.02.2020 to 08.02.2025.

RESOLVED FURTHER THAT Mr. Hemandra Jayantilal Badani (DIN- 00143330) shall receive a remuneration of Rs. 90,000/- per month with Performance Bonus and additional perquisites like use of Company’s Car, Provident fund, Gratuity, Reimbursement of one Telephone line at residence, Reimbursement of Electricity bill at residence and of any other expenses incurred in the due course of performing his duties as Vice Chairman and Managing Director.

RESOLVED FURTHER THAT the remuneration for the above period may be reviewed from time to time and such remuneration should be within the limits of Schedule V and other applicable provisions of Companies Act 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Item No. 7- Re-appointment of Mr. Harsh Badani (DIN- 02282965) as Whole Time Director

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

“**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 196, 197, 198 and 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, consent of Members of the Company be and is hereby accorded for the re-appointment of Mr. Harsh Badani (DIN- 02282965), as Whole Time Director of the Company for a period of 5 years from 08.02.2020 to 08.02.2025.

RESOLVED FURTHER THAT Mr. Harsh Badani (DIN- 02282965) shall receive a remuneration of Rs. 75,000/- per month with Performance Bonus and additional perquisites like use of Company’s Car, Provident fund, Gratuity, Reimbursement of one Telephone line at residence, Reimbursement of Electricity bill at residence and of any other expenses incurred in the due course of performing his duties as Whole Time Director.

RESOLVED FURTHER THAT the remuneration for the above period may be reviewed from time to time and such remuneration should be within the limits of Schedule V and other applicable provisions of Companies Act 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

ITEM No. 8- Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to Section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and Rules made thereunder and subject to necessary statutory approvals and modifications if any, consent of the members be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with no change in existing Clause III A containing the Main Objects sub-clause no. 1 to 5.

RESOLVED FURTHER THAT the existing Clause III B containing the “Objects Incidental or Ancillary to the attainment of Main Objects” sub-clause no. 6 to 25 be and is hereby stands deleted and replaced by New Clause III (B) “Matters which are necessary for furtherance of the Objects specified in Clause III(A) containing the sub-clause no. 1 to 99.

RESOLVED FURTHER THAT the existing Clause III C containing the “Other Objects” be and is hereby also stands deleted in full.

RESOLVED FURTHER THAT consent of shareholders of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Memorandum of Association of the Company and that any of the Directors of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Item No. 9- Adoption of Articles of Association as per the provisions of the Companies Act, 2013:

To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to adopt the new set of Articles of Association containing, inter-alia, Article no. 1 to Article no. 142 in place of existing Articles of Association containing Article No. 1 to Article no. 222 as available for inspection in the meeting and at the registered office of the company during working hours.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

By the order of Board of Directors

For **SOLITARE MACHINE TOOLS LIMITED**

Sd/-

Barkha Arora

Company Secretary and Compliance Officer

Date-29/07/2020

Place- Vadodara

Notes:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The Company has engaged Link Intime India Private Limited for facilitating voting through electronic means i.e., remote e-voting and voting on the date of the AGM.
2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning special business to be transacted at the AGM is annexed and forms part of this Notice.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate members intending to represent through their authorised representatives in the AGM through VC/ OAVM and to vote through remote e-voting or voting at the AGM are requested to send to the Company a certified copy of the board resolution authorising their representative to the designated email address of the Registrar and Transfer Agents at rnt.helpdesk@linkintime.co.in
5. The cut-off date for the purpose of determining eligibility of members for voting in connection with the Twenty Eighth AGM has been fixed as Monday 31st August, 2020.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 1, 2020 to Monday, September 7, 2020 (Both Days Inclusive)
7. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
 - A. Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H or Lower Withholding Certificate (if obtained from the Tax department), to avail the benefit of non-deduction/ lower deduction of tax at source by writing an email to solitairedivtax@linkintime.co.in on or before 11:59 p.m. IST on August 28, 2020. The shareholders are requested to note that in case their PAN is not registered/ updated, the tax will be deducted at a higher rate of 20% (plus Surcharge and Cess as applicable).

- B. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment (PE) and Beneficial Ownership Declaration, Tax Residency Certificate (TRC), Form 10F, any other document which may be required to avail the tax treaty benefits by sending an solitairedivtax@linkintime.co.in. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on August 28, 2020. The formats of No PE Declaration (including beneficial ownership) and Form 10F are available on Link Intime's website at <https://www.linkintime.co.in/client-downloads.html>. TRC needs to be obtained by the shareholder from the Tax Department of their country of residence. Non-resident shareholders shall also furnish the lower/nil withholding certificate, if obtained from the Tax Department.
8. Change of particulars including address, bank mandate & nomination for shares held in demat form, should be notified only to the respective Depository Participants where the member has opened his demat account. The Company or its Share Transfer Agent will not be able to act on any direct request from these Members for change of such details. However, for any change in particulars in respect of shares held in physical form should be sent to the Registrar & Share Transfer Agents of the Company i.e., Link Intime India Private Limited at following address:
- Link Intime India Private Limited
C 101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai, Maharashtra, 400 083
9. **SEBI has decided that securities of listed companies can be transferred only in dematerialized form from 01st April 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form. Members can contact the Company or the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited, for assistance in this regard.**
10. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to sales@smtgrinders.com on or before September 1, 2020.
11. Members are requested to register their E-mail address with the Company/Registrar & Transfer Agents so as to receive Annual Report and other communication electronically
12. Information pursuant to regulations 26(4), 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect of the Directors seeking appointment/ re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
13. In compliance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020, Notice of the Annual General Meeting along with the Annual Report for the Financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the Financial year 2019-20 will also be available in the Investors Section on the Company's website www.smtgrinders.com and on the website of Bombay Stock Exchange at www.bseindia.com.