SMT ENGINEERING LIMITED
(Formerly known as Adarsh Mercantile Limited)
Corporate Identity Number (CIN): L33120MP1992PLC080093
compliance@saimachinetools.com
www.smtel.in +91 9109197950
Reg.Off : Plot No. 23d **'Sector A'** Sanwer Road Industrial Area, Near Parle G Biscuit Factory, Indore 452015 (M.P.) India.
extrusion.in

Date: 05.09.2026

To,
The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P. J. Towers,
Dalal Street,
Mumbai – 400 001.

Unit: SMT Engineering Ltd (Scrip code: 538563)

Subject: Submission of Annual Report for the Financial Year 2025-26

Dear Sir/Madam,

This is to inform that the 34th Annual General Meeting ('AGM') of the Members of SMT Engineering Limited will be held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) on Wednesday, the 30th day of September, 2026 at 12.30 PM (IST), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the financial year 2025-26 along with Notice of the AGM of the Company.

In accordance with the circulars issued by the MCA and SEBI, the Annual Report of the Company for the financial year 2025-26 along with the Notice convening AGM is being sent through electronic mode to those members of the Company whose email address are registered with the RTA/Company/Depositories; and for Members who have not registered their e-mail address, a letter containing web-link of the website where details pertaining to the entire Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories.

The Company is providing the facility to the Members, to exercise their right to vote through remote e-voting in respect of the resolution proposed as set-forth in the Notice through the remote e-voting facility provided by Central Depository Services (India) Limited (CDSL) during the remote e-voting period. The remote e-voting facility will be available during the following period:

a. Day, date and time of commencement of remote e-voting: Sunday, 27th September, 2026 at 9.00 a.m. (IST).

b. Day, date and time of end of remote e-voting: Tuesday, 29th September, 2026 at 5.00 p.m. (IST).

The Company has fixed Wednesday, 23rd September, 2026, as the "Cut-off Date" for identifying the members who shall be eligible for voting either through remote e-voting during the remote e-voting period and for participation in the AGM.

SMT ENGINEERING LIMITED

(Formerly known as Adarsh Mercantile Limited)

Corporate Identity Number (CIN): L33120MP1992PLC080093

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Reg.Off : Plot No. 23d **'Sector A'** Sanwer Road Industrial Area, Near Parle G Biscuit Factory, Indore 452015 (M.P.) India.

The Notice of the AGM and Annual Report for FY 2025-26 can be assessed/downloaded from the Company's website at following link:

Notice of the AGM and the Annual Report for the F.Y. 2025-26	https://smtel.in/investor-relation/

Kindly arrange to take the same on your records.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Ajay Jaiswal

Digitally signed by Ajay Jaiswal
DN: c=IN, o=Personal, postalCode=452009, l=Indore, st=Madhya Pradesh, street=6 BEHIND ANNPURNA POLICE STATION, Indore, Madhya Pradesh India 452009 NEAR TO SHRI SOMESHWAR MAHADEV MANDIR, title=0003, 2.5.4.20=de36667ce5cddbfe5205cdec899f1d6f5d50949ee0e9f8fd3ec88e30e1baf05c, serialNumber=27df33b96cc415b985cb609ff8a0b11ac54d85633504187c3c49105995f5f6b2, email=Compliance@saimachinetools.com, cn=Ajay Jaiswal
Date: 2026.09.05 11:23:32 +05'30'

Ajay Jaiswal
Managing Director
DIN: 01754887

SMT ENGINEERING LIMITED

(FORMERLY KNOWN AS ADARSH MERCANTILE LIMITED)

ANNUAL REPORT 2025-2026

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SMT ENGINEERING LIMITED
CIN: L33120MP1992PLC080093

INDEX

CORPORATE INFORMATION

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1.	MR. ASHOK JAISWAL	NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR
2.	MR. AJAY JAISWAL	MANAGING DIRECTOR & CFO
3.	MR. VISHAL JAISWAL	WHOLETIME DIRECTOR
4.	MR. ABHISHEK KANUNGO	INDEPENDENT DIRECTOR
5.	MR. RAJENDRASAXENA	INDEPENDENT DIRECTOR
6.	MRS. VARSHA RAVINDRA BHADORIYA	INDEPENDENT WOMEN DIRECTOR
7.	MR. MOHD SHANAWAZ SHEKH	COMPANY SECRETARY & COMPLIANCE OFFICER

**All the above-mentioned Independent Directors have been appointed with effect from 01st October 2025.*

8.	MR. YOGESH ARVINDBHAI BHUVA	NON-EXECUTIVE - INDEPENDENT DIRECTOR (up to 03rd *October*, 2025)
9.	MR. DEEPAK VYAS	NON-EXECUTIVE - INDEPENDENT DIRECTOR (up to 03rd *October*, 2025)
10.	MS. MITWA NAYAN SHAH	NON-EXECUTIVE - INDEPENDENT DIRECTOR (up to 03rd *October*, 2025)

STATUTORY AUDITORS

M/S. ANIL KAMAL GARG & COMPANY
CHARTERED ACCOUNTANTS
KAMAL KRIPA, 97, JAORA COMPOUND,
INDORE (M.P.), 452001

SECRETARIAL AUDITORS

M/S. P.S. TRIPATHI & ASSOCIATES
COMPANY SECRETARIES
306, MANAS BHAVAN EXT., RNT MARG,
INDORE (M.P.) 452001

REGISTRAR AND SHARE TRANSFER AGENT

NICHE TECHNOLOGIES PRIVATE LIMITED
D-511, BAGREE MARKET, 71, B. R. B. B. ROAD,
5TH FLOOR, KOLKATA, WEST BENGAL,700001

REGISTERED OFFICE	PLOT NO. 23 D, SECTOR-A, SANWER ROAD, INDUSTRIAL AREA, NEAR PARLEG BISCUIT FACTORY, INDUSTRIAL ESTATE, INDORE, MADHYA PRADESH, 452015
CORPORATE IDENTIFICATION NUMBER	**L33120MP1992PLC080093**
ISIN	**INE673E01018**

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **SMT ENGINEERING LIMITED** *(Formerly known as Adarsh Mercantile Limited)* ("the company") will be held on Wednesday the 30th day of September 2026 at 12:30 P.M. through Video Conferencing ("VC") /Other Audio-Visual Means (OAVM) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA Circulars to transact the following businesses: -

ORDINARY BUSINESS: -

1. **To adopt the Audited - Standalone Financial Statements**

   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, together with the reports of the Board of Directors and the Auditors thereon, be and are hereby received, considered and adopted."

2. **To adopt the Audited - Consolidated Financial Statements**

   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, together with the reports of the Board of Directors and the Auditors thereon, be and are hereby received, considered and adopted."

3. **To appoint a Director in place of Mr. Vishal Jaiswal (DIN: 01741062), who Retires by Rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment**

   Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Vishal Jaiswal (DIN: 01741062), Whole Time Director, of the Company whose office is liable to retire at this Annual General Meeting, being eligible, seeks re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Vishal Jaiswal (DIN: 01741062), Whole Time Director, who retires by rotation at this Annual General Meeting and being eligible for re-appointment, be and is hereby re-appointed as the Whole Time Director of the Company."

   The information required pursuant to Regulation 36(3) of the Listing Regulations, 2015 is attached herewith as **Annexure 1(A).**

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

SPECIAL BUSINESS: -

4. **INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Section 61, 64 and other applicable provisions if any, of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and the rules made thereunder, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to requisite approvals, consents, permissions and/or sanctions, from appropriate statutory, regulatory or other authority as required, the consent of the members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from existing Rs. 18,10,00,000 (Rupees Eighteen Crore Ten Lakhs only) divided into 1,81,00,000 equity shares of Rs. 10/- (Rupees Ten only) to Rs. 19,10,00,000 (Rupees Nineteen Crore Ten Lakhs only) divided into 1,91,00,000 equity shares of Rs. 10/- (Rupees Ten only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company;

"RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder, consent of the members of the Company be and is hereby accorded to alteration of Clause V of the Memorandum of Association of the Company by substituting the following new Clause V as under:

Clause V. The Authorized Share Capital of the Company is Rs. 19,10,00,000 (Rupees Nineteen Crore Ten Lakhs only) divided into 1,91,00,000 equity shares of Rs. 10/- (Rupees Ten only);

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and digitally sign and uploading of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

5. **TO CONSIDER AND APPROVE ISSUE OF UPTO 1,42,858 (ONE LAKH, FORTY TWO THOUSAND, EIGHT HUNDRED AND FIFTY EIGHT ONLY) SHARE WARRANTS, EACH CONVERTIBLE INTO, OR EXCHANGEABLE FOR, ONE EQUITY SHARE OF THE COMPANY WITHIN THE PERIOD OF 18 (EIGHTEEN MONTHS) TO THE IDENTIFIED PROMOTERS ON PREFERENTIAL BASIS:**

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

"RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c) of the Companies Act, 2013 as amended including rules notified thereunder ("Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and other applicable provisions, if any (including any statutory modifications(s) or re-enactment thereof, for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations"), enabling provisions of the Memorandum and Articles of Association of the Company, applicable rules, notifications and circulars issued thereon from time to time by Securities and Exchange Board of India (the "SEBI"), Stock Exchanges, Ministry of Corporate Affairs ("MCA") and/or any other competent authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") Consent of the Members of the company, be and is hereby accorded to create, offer, issue and allot, up to 1,42,858 (One Lakh Forty Two Thousand Eight Hundred Fifty Eight only) Share Warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company having face value of Rs. 10/- (Rupees Ten only) ("Warrants") at a price of Rs. 280/- (Rupees Two Hundred Eighty Only) (including the premium of Rs. 270/-) each payable in cash ("Warrant Issue Price"), aggregating up to Rs. 4,00,00,240/- (Rupees Four Crores Two Hundred and Forty Only) ("Total Issue Size") on a preferential basis to promoters as listed below ("Proposed Allottees of Warrants") subject to the maximum entitlement of each Warrant Holder as specified below and upon receipt of Rs. 70/- (Rupees Seventy Only) for each Warrants, which is equivalent to 25% (twenty-five per cent) of the Warrant Issue Price as upfront payment ("Warrant Subscription Price") entitling the Warrant Holder(s) to apply for and get allotted one fully paid-up equity share of the Company against every Warrant held, in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of Rs. 210/- (Rupees Two Hundred and Ten only) which is equivalent to 75% (Seventy-five per cent) of the Warrant Issue Price, for each Warrant proposed to be converted, in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of ICDR Regulations, or other applicable laws in this respect;

Details of the Proposed Allottees of Warrants-

Sr. No	Name of the Proposed Allottees	Number of Warrants	Proposed Status / Category
1.	Ajay Jaiswal	35,715	Promoter
2.	Vishal Jaiswal	35,715	Promoter
3.	Shikha Jaiswal	35,714	Promoter
4.	Niharika Jaiswal	35,714	Promoter
Total			

"RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI ((ICDR)) Regulations for determination of the issue price of the Equity Shares, shall be 31st August, 2026, i.e., 30 days prior to the date of passing of the Special Resolution at the Annual General Meeting."

"RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the warrants and equity shares to be allotted on exercise of the option attached to the warrants under the preferential issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

a) The warrants shall be allotted in dematerialized form within a period of fifteen days from the date of passing of the special resolution by the Members, provided that where the allotment of warrants is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of fifteen days from the date of receipt of last of such approvals or permissions.

b) The equity shares to be allotted on exercise of warrants shall be in dematerialized form only and subject to the provisions of the Memorandum and Article of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing equity shares of the Company.

c) An amount equivalent to at least 25% of the warrant issue price i.e. Rs. 70/- (Rupees Seventy Only) per warrant shall be payable upfront along with the application and the balance 75% (i.e. Rs. 210/- (Rupees Two Hundred Ten only) shall be payable by the Proposed Allottees on the exercise of option of conversion of the warrant(s). The amount paid against warrants shall be adjusted/ set-off against the issue price for the resultant equity shares.

d) The issue of warrants as well as equity shares arising from the conversion of the warrants shall be governed by the regulations issued by the SEBI or any other statutory authority as the case may be or any modifications thereof.

e) The pre-preferential allotment shareholding of the proposed allottees, if any, in the Company and warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of option attached to such warrants shall be subject to lock-in as specified in the provisions of Chapter V of the ICDR Regulations.

f) The price determined above and the number of equity shares to be allotted on exercise of the option attached to the warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.

g) The equity shares allotted pursuant to conversion of such warrants shall be subject to a lock-in as stipulated under chapter V of the SEBI ICDR Regulations from time to time.

h) The option attached to the warrants may be exercised by the proposed allottees, in one or more tranches, at any time on or before the expiry of eighteen months from the date of allotment of the warrants by issuing a written notice to the Company specifying the number of warrants proposed to be exercised along with the balance of the warrant issue price in cash. The company shall accordingly, without any further approval from the members, allot the corresponding number of equity shares in dematerialized form.

i) In the event, the proposed allottee does not exercise the conversion option within eighteen months from the date of allotment of the warrants, the warrants shall lapse, and the consideration paid in respect of such warrants shall stand forfeited by the Company, in terms of applicable SEBI ICDR Regulations.

j) The warrants so allotted under this resolution shall not be sold, hypothecated, or encumbered in any manner during the period of lock-in as provided under the SEBI ICDR Regulations except to the extent and in the manner permitted there under.

k) The warrants by itself until converted into equity shares, does not give any voting rights in the Company to the proposed allottees. However, the warrant holders shall be entitled to any corporate action such as issuance of bonus shares, right issue, split or consolidation of shares etc. announced by the Company between the date of warrants allotment and their conversion into equity shares.

l) In the event that the Company completes any form of capital restructuring prior to the conversion of the warrants, then, the number of equity shares that each warrant converts into and the price payable for such equity shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, proposed allottees:

(i) receives such number of equity shares that proposed allottees would have been entitled to receive; and
(ii) pays such consideration for such equity shares to the Company which Proposed Allottees would have been required to pay, had the warrants been exercised immediately prior to the completion of such capital restructuring

m) The equity shares arising from the exercise of the warrants will be listed on the stock exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.

n) The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company except mentioned herein above.

"RESOLVED FURTHER THAT the monies received by the Company from the proposed allottee, for subscription of the warrants and exercise of option of conversion of the warrants into equity shares pursuant to the preferential issue shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the SEBI Regulations and the Act;

"RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members and that the Board be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option by the warrant holder(s);

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Director(s)/Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution;

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects;

"RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to receipt of such approvals as may be required under applicable law, the consent of the Members of the Company be and is hereby accorded to record the name and address of the allottees and issue a private placement offer cum application letter in the Form PAS-4 to the allottees inviting to subscribe to the Warrants in accordance with the provisions of the Act;

"RESOLVED FURTHER THAT the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memorandum, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to BSE for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies ("ROC"), National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Warrant Holders, and to delegate all or any of the powers conferred on it by this resolution to any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

6. **To approve material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited and M/s Prakhar Industries**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary, as per the recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/ empowered/to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into and to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), by SAI Machine Tools Private Limited ("material subsidiary"), with M/s Prakhar Industries ("Related Party"), on such terms and conditions as may be agreed upon between the parties, for an aggregate value not exceeding Rs. 25 Crores (Rupees Twenty Five Crores only) as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting, and the said approval shall remain valid till the date of the next annual general meeting, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company;

"RESOLVED FURTHER THAT the aforesaid transactions shall be undertaken on such terms and conditions as may be considered appropriate by the Board of Directors of the Company and/or the Audit Committee, in accordance with applicable laws and the Company's Related Party Transaction Policy, and shall be carried out on an arm's length basis and in the ordinary course of business, wherever applicable;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including finalising the terms and conditions of the transactions, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

“RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

7. **To approve material related party transactions between Subsidiary, M/s Chemerix Life Sciences Private Limited and M/s Prakhar Industries**

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

“RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted/ empowered/to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into and to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), by Chemerix Life Sciences Private Limited (“Subsidiary”), with M/s Prakhar Industries (“Related Party”), on such terms and conditions as may be agreed upon between the parties, for an aggregate value not exceeding Rs. 25 Crores (Rupees Twenty Five Crores only) as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting, and the said approval shall remain valid till the date of the next annual general meeting, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company;

“RESOLVED FURTHER THAT the aforesaid transactions shall be undertaken on such terms and conditions as may be considered appropriate by the Board of Directors of the Company and/or the Audit Committee, in accordance with applicable laws and the Company’s Related Party Transaction Policy, and shall be carried out on an arm’s length basis and in the ordinary course of business, wherever applicable;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including finalising the terms and conditions of the transactions, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

“RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

8. **To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s SMT Plast**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary,and as per the recommendation of the Audit Committee and the Board of Directors of the Company, the Members of the Company be and hereby approve and ratify the existing contract(s)/ arrangement(s)/ transaction(s) (whether done by way of an individual transaction or transactions taken together or series of transactions or otherwise), by SAI Machine Tools Private Limited ("Material Subsidiary") with M/s SMT Plast ("Related Party"), on such terms and conditions as agreed by the parties, for an aggregate value not exceeding Rs.12.12 Crores, during the financial year 2025-26, on an arm's length basis and in the ordinary course of business, as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

"RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved and confirmed in all respects."

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

9. **To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s Prakhar Industries**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary, and as per the recommendation of the Audit Committee and the Board of Directors of the Company, the Members of the Company be and hereby approve and ratify the existing contract(s)/ arrangement(s)/ transaction(s) (whether done by way of an individual transaction or transactions taken together or series of transactions or otherwise), by SAI Machine Tools Private Limited ("Material Subsidiary") with M/s Prakhar Industries ("Related Party"), on such terms and conditions as agreed by the parties, for an aggregate value not exceeding Rs.18.30 Crores, during the financial year 2025-26, on an arm's length basis and in the ordinary course of business, as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

"RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

10. **<u>To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s Softcare Solutions</u>**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary, and as per the recommendation of the Audit Committee and the Board of Directors of the Company, the Members of the Company be and hereby approve and ratify the existing contract(s)/ arrangement(s)/ transaction(s) (whether done by way of an individual transaction or transactions taken together or series of transactions or otherwise), by SAI Machine Tools Private Limited ("Material Subsidiary") with M/s Softcare Solutions ("Related Party"), on such terms and conditions as agreed by the parties, for an aggregate value not exceeding Rs.2.99 Crores, during the financial year 2025-26, on an arm's length basis and in the ordinary course of business, as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

"RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

11. **<u>To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with Mr. Ajay Jaiswal</u>**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any, and in accordance with the Related Party Transaction Policy of the Company, and subject to such other approvals, consents, permissions and sanctions as may be necessary, and as per the recommendation of the Audit Committee and the Board of Directors of the Company, the Members of the Company be and hereby approve and ratify the existing contract(s)/ arrangement(s)/ transaction(s) (whether done by way of an individual transaction or transactions taken together or series of transactions or otherwise), by SAI Machine Tools Private Limited ("Material Subsidiary") with Mr. Ajay Jaiswal ("Related Party"), on such terms and conditions as agreed by the parties, for an aggregate value not exceeding Rs.3.33 Crores, during the financial year 2025-26, on an arm's length basis and in the ordinary course of business, as more particularly set out in the Explanatory Statement annexed to the Notice convening this General Meeting;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including, executing necessary documents and making such filings, disclosures and compliances as may be required under applicable laws;

“RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Ajay Jaiswal
Managing Director
DIN: 01754887

Registered Office:
Plot No. 23 D Sector A Sanwer Road Industrial Area,
Near Parle G Biscuit Factory,
Indore 452015 Madhya Pradesh, India
CIN: L33120MP1992PLC080093
Email Id: compliance@saimachinetools.com
Website: www.smtel.in
Contact Details +91 9109197950

NOTES: (Forming part of Notice convening the Annual General Meeting of the company)

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.smtel.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022. General Circular No. 10/2022 dated 28.12.2022, General circular No. 09/2023 dated 25.09.2023 and **General circular No. 09/2024 dated 19.09.2024 and after due examination, it has been decided to allow companies to conduct their AGMs through VC or OAVM till further orders,** in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on **Sunday, 27th September, 2026 at (09:00 A.M.)** and ends on **Tuesday, 29th September, 2026 at (05:00) P.M**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. **23rd September, 2026,** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders **holding** securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <SMT ENGINEERING LIMITED> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@saimachinetools.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance@saimachinetools.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA at ashoksen@nichetechpl.com.

2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Assistant Vice President, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Ajay Jaiswal
Managing Director
DIN: 01754887

Registered Office:
Plot No. 23-D, Sector-A, Sanwer Road, Industrial Area,
Near Parle G Biscuit Factory, Indore, Madhya Pradesh, India 452015.
CIN: L33120MP1992PLC080093
Email Id: compliance@saimachinetools.com
Website: www.smtel.in
Contact Details +91 9109197950

ANNEXURE TO THE AGM NOTICE

Item No. 3: Additional Information about the Directors seeking Re-appointment, Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI:

S.No.	Annexure-1(A)	
1.	**Brief resume of the Director**	
	Name	Vishal Jaiswal
	Designation	Whole Time Director
	DIN	01741062
	Age	48 Years
	Nationality	Indian
	Qualification	Bachelors in BSc.
	Date of First Appointment in the Board	Originally appointed on 07th March, 2025 (further Regularized w.e.f. 12th May, 2025)
2.	Nature of Expertise in specific functional areas	Mr. Vishal Jaiswal is a highly skilled and Innovative Technical Director, Managing Technical operations and leading teams. Seeking to leverage expertise in software development, project management, and strategic planning to drive technological advancements and improve operational efficiency at a forward-thinking organization. Committed to implementing the latest technologies and fostering a culture of innovation to maintain competitive advantage.
3.	Disclosure of Relationship between Directors (Inter-se), Manager and other Key Managerial Personnel of the company	He is the brother of Mr. Ajay Jaiswal and the son of Mr. Ashok Jaiswal.
4.	List of Directorship held in other companies	Chemerix Life Sciences Private Limited Sai Machine Tools Private Limited Greenpath Polymers Private Limited SMT Global Private Limited
5.	Names of listed entities in which the person also holds the directorship	Nil
6.	Names of Listed Entities in which the person holds membership / chairmanship of Committees of the Board	Nil
7.	Names of Listed Entities from which the person has resigned in the past three years	Nil
8.	Shareholding in the Company including shareholding as a beneficial owner	As on 31st March, 2026, Mr. Vishal Jaiswal holds 34,92,964 Equity Shares (19.33%) of the Company
9.	Terms and conditions of appointment/ re-appointment	No changes in existing terms and conditions of appointment
10.	Details of remuneration sought to be paid	
11.	Details of remuneration last drawn	
12.	In case of Independent Director: The skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	N.A.
13.	Number of Meetings of the Board attended during the year (2025-26)	12

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

Item No.4: Increase in Authorised Share Capital of the Company

The present Authorised Share Capital of the Company is Rs. 18,10,00,000 (Rupees Eighteen Crore Ten Lakhs only) divided into 1,81,00,000 equity shares of Rs. 10/- (Rupees Ten only) each, the Board at its Meeting held on 03rd September, 2026 had accorded its approval for increasing the Authorised Share Capital up to Rs. 19,10,00,000 (Rupees Nineteen Crore Ten Lakhs only) divided into 1,91,00,000 equity shares of Rs. 10/- (Rupees Ten only) each subject to shareholder's approval.

Hence, pursuant to the provision of section 61 and section 13 of the Companies Act 2013 it is proposed to increase the Authorised Share Capital of the Company and the new shares shall be ranking pari-passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company. Consequently, Clause V of the Memorandum of Association would also require alteration/substituted so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association requires approval of shareholders. A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in the Notes of the Notice.

The Board of directors, accordingly, recommends the passing of Ordinary Resolution as set out at Item Number 4 of this Notice, for the approval of the members. None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item No.5: To Consider and approve Issue of upto 1,42,858 (One Lakh, Forty Two Thousand, Eight Hundred Fifty Eight only) Share Warrants, each convertible into, or Exchangeable for, one Equity Share of the Company within the period of 18 (Eighteen Months) to the Identified Promoters

We wish to inform you that the Company has identified a need for infusion of additional funds to strengthen its capital base and to support the long-term growth and sustainability of its business. This strategic initiative is aimed at addressing both immediate and future funding requirements. The proposed funds will be utilized for investment in the subsidiary companies for their working capital requirements and for general corporate purpose and to expand the existing business of the Subsidiaries.

Hence, to ensure the smooth flow of the business the Board of Directors of the Company in their meeting held on 03rd September, 2026 in accordance with Sections 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI (ICDR) Regulations and the SEBI (ICDR) Regulations as amended from time to time, proposed to issue and allot upto 1,42,858 (One Lakh, Forty Two Thousand, Eight Hundred Fifty Eight only) Share Warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of Rs. 10/- (Rupees Ten only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of Rs. 280/- (Rupees Two hundred Eighty only) each to be payable in cash ("Warrant Issue Price"), aggregating upto Rs. 4,00,00,240/- (Rupees Four Crores Two Hundred Forty Only) ("Total Issue Size") on a preferential basis to the promoters of the Company ("Warrant Holder(s)"/"Proposed Allottee(s)"), on preferential basis, subject to the approval of Members of the Company and other necessary approval(s).

Hence, the Board of Directors of your Company recommends the resolution for approval of the shareholders in form of Special Resolution in the best interests of the Company.

The Company is otherwise eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations.

There will be no change in the control or management of the Company pursuant to the proposed preferential issue.

Consequent to the allotment of allotment of warrants including resultant equity shares arising out of exercise of option attached to Warrants to the proposed allottees, the shareholding of the Promoters and Promoter Group will increase as per details given in this statement.

Disclosure as required under rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("SEBI (ICDR) Regulations ") are as follows:

Objects of the Preferential Issue:

Purpose for which issue proceeds is proposed to be utilized	Total Estimated amount to be utilized (In Rs.)*	Tentative timelines for utilization of Issue Proceeds from the date of receipt of funds
Investment in the subsidiary companies for their working capital requirements and for general corporate purpose and to expand the existing business of the Subsidiaries.	400,00,240	Within 12 months
Total	400,00,240	

*Considering 100% conversion of warrants into equity shares within stipulated time.

As the proposed total issue size does not exceed Rs. 100 crores, thus Regulation 162A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, appointment of Monitoring Agency is not applicable.

In terms of the BSE Circular No. 20221213-47 dated December 13, 2022, the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factor.

Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws.

Any amount in excess utilized portion of the receipt under general corporate purpose will be utilised by the Company for meeting the requirement of above subsidiaries.

The funds will be kept as Deposits/Investments with banks or in debt mutual funds schemes or in accordance with the policies formulated by the Board from time to time, under applicable laws, and the Board shall have the flexibility to deploy the issue proceeds, till the issue proceeds are fully utilized.

The total/maximum number of securities to be issued / particulars of the offer / Kinds of securities offered and the price at which security is being offered number of securities to be issued and pricing:

The resolution set out to issue 1,42,858 (One Lakh, Forty Two Thousand, Eight Hundred Fifty Eight only) Share Warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of Rs. 10/- (Rupee Ten Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of Rs. 280/- (Rupees Two Hundred Eighty only) each payable in cash ("Warrant Issue Price"), aggregating upto Rs. 4,00,00,240/- (Rupees Four Crores Two Hundred Forty Only) ("Total Issue Size") on a preferential basis to promoter group listed below ("Warrant Holder(s)" / "Proposed Allottee(s)") subject to the maximum entitlement of each Warrant Holder as specified below and upon receipt of Rs. 70/- (Rupees Seventy Only) for each Warrants, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment ("Warrant Subscription Price") entitling the Warrant Holder(s) to apply for and get allotted one fully paid-up equity share of the Company of face value of Rs. 10/- each against every Warrant held, in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of Rs. 210/- (Rupees Two Hundred Ten only) which is equivalent to 75% (Seventy five per cent) of the Warrant Issue Price.

i. The resultant Equity Shares to be issued and allotted pursuant to the preferential issue shall be listed and traded on the Stock Exchange, subject to the receipt of necessary regulatory permissions and approvals, as applicable.

ii. The Warrants and the resultant Equity Shares so allotted shall be subject to a lock-in period as specified under Chapter V of the SEBI ICDR Regulations.

iii. The Warrants shall be allotted in dematerialized form within 15 (fifteen) days from the date of passing of the Special Resolution by the Members, provided that where the allotment is subject to receipt of any approval or permission from any regulatory authority or the Government of India, the allotment shall be completed within 15 (fifteen) days from the date of receipt of the last such approval or permission.

iv. The issue and allotment of Warrants and resultant Equity Shares shall be subject to all applicable laws and the provisions of the Memorandum and Articles of Association of the Company.

v. The Equity Shares to be issued to the Proposed Equity Allottees shall be listed on the stock exchange where the existing equity shares are listed, subject to the receipt of necessary permissions and approvals from the stock exchange.

vi. An amount equivalent to at least 25% of the warrant issue price i.e. Rs. 70/- (Rupees Seventy Only) per warrant shall be payable upfront along with the application and the balance 75% i.e. Rs. 210/- (Rupees Two Hundred Ten only) shall be payable by the Proposed Allottees on the exercise of option of conversion of the warrant(s). The amount paid against warrants shall be adjusted/ set-off against the issue price for the resultant equity shares. .

vii. The issue and the allotment of Warrants and the resultant Equity Shares shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.

viii. The Warrants to be allotted to the Proposed Allottees under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted thereunder.

ix. The Proposed Preferential Allotment has been approved by the Board of Directors in their meeting held on 03rd September, 2026, subject to the approval of Members of the Company and other necessary approval(s).

Intention of the promoters, directors, key managerial personnel or senior management of the issuer to subscribe to the offer:
Except the identified promoters, None of the other Directors or Key Managerial Personnel or Promoters intends to subscribe to the proposed issue or furtherance of objects.

The shareholding pattern of the Company before the proposed issue and after the proposed issue of Equity Shares, as follows:

Sl. No.	Category	Pre-issue shareholding		Post- issue shareholding *	
		No. of Equity Shares	% Of Shareholding	No. of Equity Shares	% Of Shareholding
A	**Promoters and Promoter Group Holding**				
1	Indian				
	Individuals/Hindu undivided Family	1,21,86,724	67.44	1,23,29,582	67.70
	Bodies corporate	-	-	-	-
2	Foreign	-	-	-	-
	Sub Total (A)	**1,21,86,724**	**67.44**	**1,23,29,582**	**67.70**
B	**Non-Promoter Holding**				
1	**Institutional investors**	-	-	-	-
2	**Non – Institutions**				
	Private corporate bodies	1,56,765	0.87	1,56,765	0.86
	Directors and relatives	-	-	-	-
	Indian public	57,26,491	31.69	57,26,451	31.44
	others (including NRIs)	20	0.00	60	0.00
	Sub-Total (B)	**58,83,276**	**32.56**	**58,83,276**	**32.30**
	Grand Total (A+B)	**1,80,70,000**	**100.00**	**182,12,858**	**100**

*The post-issue shareholding percentage has been calculated based on the total diluted post-issue paid-up share capital, assuming full subscription of the equity shares.

Proposed time schedule/ time frame within which the allotment/ preferential issue shall be completed:
The allotment of Warrants shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s).

Name/ identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue, and the current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter:

Sr. No	Name of the proposed allottee	Pre- issue Category	Name of the natural persons who are the ultimate beneficial owners	Pre-Issue Holding		No. of Warrants to be issued	Shareholding post allotment of Equity*		Post-issue Category
				No. of Equity Shares	% of Holding		No. of Equity Shares	% of Holding	
1.	Ajay Jaiswal	Promoter	N.A.	36,01,492	19.93	35,715	36,37,207	19.97	Promoter
2.	Vishal Jaiswal	Promoter	N.A.	34,92,964	19.33	35,715	35,28,679	19.37	Promoter
3.	Shikha Jaiswal	Promoter	N.A.	5,56,276	3.08	35,714	5,91,990	3.25	Promoter
4.	Niharika Jaiswal	Promoter	N.A.	6,70,338	3.71	35,714	7,06,052	3.88	Promoter

*The Post-Issue Shareholding Percentage has been calculated based on the total diluted post-issue paid-up share capital, assuming full subscription of the securities and full conversion of the warrants into equity shares

There shall be no change in management or control of the Company pursuant to the issue and allotment of equity shares.

The Company hereby undertakes that, it would re-compute the price of the securities specified above in terms of the provisions of SEBI (ICDR) Regulations, where it is so required.

The Company hereby undertakes that, if the amount payable, if any, on account of the re-computation of price is not paid within the stipulated in SEBI (ICDR) regulations the Equity shares to be allotted shall be continued to be locked in till such amount is paid by the allottees.
All the equity shares held by the proposed allottees in the company are in dematerialized form only.

Disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a willful defaulter or a fraudulent borrower:
It is hereby confirmed that, neither the Company nor its promoters or directors is a willful defaulter or a fraudulent borrower as per Regulation 163(1)(i) of Chapter V read with schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

Certificate:
As required in Regulation 163(2) of the SEBI ((ICDR)) Regulations, a certificate from a Practicing Company Secretary, certifying that the issue is being made in accordance with the requirements of the SEBI ((ICDR)) Regulations. The certificate of the practicing company secretary can also be accessed on the company website on https://smtel.in/investor-relation/.

Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made:
The Equity Shares of the Company are infrequently traded and are listed on the BSE Limited. The price has been determined in accordance with Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI (ICDR) Regulations").

The Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is 31st August, 2026, 30 days prior to the date of Passing of the Special Resolution in the Extraordinary General Meeting.

The Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under (ICDR) Regulations, 2018.

Pricing for allotment on preferential basis for allottees:
As per the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the value per Equity Shares Rs. 280/- (Rupees Two Hundred and Eighty Only), upon each warrant get fully converted into equity of Rs. 10/- each after exercising the attached right upon paying the full amount, which is not less than the price as determined by the registered valuer i.e. Rs. 276 (Rupees Two Hundred and Seventy Six Only)/- .

The valuation report of the Registered Valuer pursuant to Regulation 165 & 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, can also be accessed on the company website on the following link https://smtel.in/investor-relation/

The class or classes of persons to whom the allotment is proposed to be made:
The Preferential Allotment is proposed to be made to the promoters. Pursuant to the proposed investment and in accordance with Rule 14(1) of the PAS Rules, no offer or invitation of any securities is being made to a body corporate incorporated in, or a national of, a country which shares a land border with India.

Change in control, if any, in the Company that would occur consequent to the preferential offer/issue:
There shall be no change in management or control of the Company pursuant to the issue and allotment of warrants and the resultant equity shares.

No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:
During the financial year 2026-2027, the Company has not made allotment on preferential basis to any person.

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer OR where the specified securities are issued on a preferential basis for consideration other than cash, the valuation of the assets in consideration for which the equity shares are issued shall be done by an independent valuer, which shall be submitted to the stock exchanges where the equity shares of the issuer are listed:
Not applicable.

Name and Address of Valuer who performed Valuation:
The valuation was conducted by Mr. Pankaj Shah, Chartered Accountant and Registered Valuer.
Office Address: 112-114, Manas Bhawan,
1st Floor, 11 R.N.T. Marg, Indore (M.P.) 452001
Email: pankajgshah@gmail.com
Mobile: +91 96918 93040

The above information is also available on the Company's website at the following link https://smtel.in/investor-relation/

Amount which the Company intends to raise by way of issue of Warrants / Equity Shares
Rs. 4,00,00,240/- (Rupees Four Crores and Two Hundred Forty Only).

Principal terms of Assets charged as securities:
Not Applicable

Valuation for consideration other than cash:
Not applicable.

Listing:
The Company will make an application to the Stock Exchange at which the existing shares are already listed, for listing of the equity shares to be issued on the conversion of warrants. Such Equity Shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividend.

Material terms of raising such securities:
The material terms for the Preferential Issue of Warrants to the Proposed Allottees is set out below:

A. Tenure:
The Warrants shall be convertible into equity shares within a period of 18 (eighteen) months from the date of allotment of the Warrants.

B. Conversion and other related matters:
(i) The Warrant holder shall have the right to convert the Warrants into fully paid-up equity shares of the Company of face value of Rs. 10 (Rupees Ten only) each, in one or more tranches, by delivering a notice of conversion ("Conversion Notice") to the Company requesting the conversion of the relevant number of Warrants into equity shares, on the date designated as the specified conversion date in the Conversion Notice ("Conversion Date").

(ii) The conversion ratio is 1 (one) equity share in lieu of 1 (one) Warrant.

(iii) Prior to the Conversion Date, the Warrant holder shall pay the Warrant exercise amount for the relevant Warrants it proposes to convert, and the Company shall, upon receipt of such payment in the designated bank account, on the Conversion Date, in accordance with applicable law to issue and allot equity shares (free and clear of all encumbrances other than any lock-in prescribed under applicable law) to the Warrant holder in lieu of the relevant Warrants.

(iv) The Company shall file the certificate from its statutory auditor with the Stock Exchanges, confirming that the Company has received the Warrant exercise amount in compliance with Regulation 169(4) of the SEBI ICDR Regulations from the Warrant holder and the relevant documents thereof are maintained by the Company as on the date of certification.

(v) The Company shall issue and allot the equity shares to the Warrant holder in dematerialized form and seek final approval from the Stock Exchanges for listing the equity shares allotted to the Warrant holder pursuant to conversion of the Warrants. All equity shares (upon conversion of the Warrants) shall be credited into the Warrant holder's demat account within 7 (seven) business days from the Conversion Date.

(vi) The Warrant holder shall make the relevant disclosures required under applicable law, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, in relation to the Preferential Issue and conversion of the Warrants.

(vii) The procedure for conversion of warrants into equity shares set out above shall be applicable for conversion of each Warrant into equity shares, irrespective of the number of tranches in which the Warrant holder issues a Conversion Notice in accordance with Paragraph B(i) above.

C. Lock-in:
The Warrants and the equity shares issued upon conversion of the Warrants shall be locked in, in accordance with Chapter V of the SEBI ICDR Regulations.

D. Rights:
The Warrants shall not carry any voting rights until they are converted into equity shares.

SEBI Takeover Code:
In the present case none of the Proposed Equity Allottees would attract Takeover Regulations and therefore is not under obligation to give open offer to the public except making certain disclosures as required under Takeover Regulations to Stock Exchanges.

Holding of shares in demat form, non-disposal of shares by the Proposed Equity Allottees and lock-in period of shares:
The entire shareholding of the Proposed Allottees in the Company, if any is held by them in dematerialized form. The Proposed Allottees have not sold or transferred their equity shares during the 90 trading days prior to the Relevant Date and are eligible for allotment of equity shares on preferential basis under Regulation 159 of SEBI (ICDR) Regulations. The Proposed Equity Allottees have Permanent Account Number. The lock-in kindly refers to above point.

Compliances:
The Company has complied with the requirement of Rule 19A of the Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (LODR) Regulations maintaining a minimum of 25% of the paid-up capital in the hands of the public.

Other disclosures/undertaking
a) The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.
b) The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories.
c) The Company has obtained the Permanent Account Numbers (PAN) of the Proposed Allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the Stock Exchange.
d) The Company shall be making application seeking in-principle approval to the Stock Exchanges, on the same day when this notice will be sent in respect of the general meeting seeking shareholders' approval by way of special resolution.
e) No person belonging to the promoters / promoter group has previously subscribed to any securities of the Company during the last one year.
f) The Company is eligible to make the Preferential Allotment under Chapter V of the SEBI ICDR Regulations.
g) The Proposed Allottees have further confirmed that the Proposed Allottees shall be an entity eligible under SEBI ICDR Regulations to undertake the Preferential Issue.

Approval under the Companies Act:
Section 62(1) of the Companies Act, 2013 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by further issue and allotment of shares shall be first offered to the existing shareholders of the company in the manner laid down in the said Section, unless the shareholders decide otherwise in General Meeting by way of special resolution.

In accordance with the provisions of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations, 2018, approval of the members for the issue and allotment of the said warrants and the equity shares on conversion of warrants to the above mentioned allottees is being sought by way of a special resolution as set out in the said items of the notice. The issue of equity shares would be within the Authorised Share Capital of the Company.

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and therefore board recommends the Special Resolution as set out in Item Number 5 in the accompanying notice for approval by the Members.

Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal Directors and their relatives Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal, being interested, shall not vote in this matter. None of the other Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item No.6: To approve material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited and M/s Prakhar Industries

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, require that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity.

SAI Machine Tools Private Limited is a material subsidiary of SMT Engineering Limited ("the Company"). Material subsidiary proposes to enter into certain related party transaction(s) with M/s Prakhar Industries ("Prakhar Industries"), a sole proprietorship firm owned by Mr. Vishal Jaiswal, Whole-time Director of the Company. The proposed transactions primarily relate to purchase of goods/services, in the ordinary course of business and on an arm's length basis, on such terms and conditions as may be mutually agreed between the parties from time to time.

The proposed transaction are necessary for the efficient business operations and requirements of material subsidiary and are expected to contribute to the efficient conduct of its business activities. The transactions will be undertaken based on prevailing commercial terms and conditions and in accordance with the applicable provisions of law and the Company's Related Party Transaction Policy.

The aforesaid transaction(s) by the material subsidiary with Prakhar Industries, for Financial Year 2026-27 are estimated to be Rs. 25 Crore (Rupees Twenty Five Crores only) and the transaction amount exceeds the threshold prescribed for materiality i.e. Rs. 16.20 Crores (10% of the Consolidated Turnover of the Company for the FY ended March 31, 2026) and therefore, it is a material related party transaction. Accordingly, requires approval of the Members of the Company by way of passing of an Ordinary Resolution.

The Audit Committee of the Company has reviewed and approved the proposed related party transactions and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, has approved the proposal and recommends the resolution set out at Item No.6 of the accompanying Notice for approval of the Members.

The Audit Committee has reviewed the certificate provided by Managing Director cum Chief Financial Officer of the Company, as required under the RPT Industry Standards.

The details of the proposed related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	**Details**
Name of the related party	Prakhar Industries
Name of the Director/KMP who is related	Mr. Vishal Jaiswal
Nature of relationship	Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal
Nature of transaction	Purchase of goods / services
Material terms of the transaction	Transactions shall be undertaken on mutually agreed commercial terms
Tenure of the transaction	During the financial year 2026-27
Maximum aggregate value of transaction	Rs. 25 Crores
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	5.33 Crores
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	Prakhar Industries

<table>
<tr><td>2.</td><td>Country of incorporation of the related party</td><td>India</td></tr>
<tr><td>3.</td><td>Nature of business of the related party</td><td>Trading of Machinery including parts used for the manufacturing of rubber or plastic products.</td></tr>
<tr><td colspan="3"><u>A(2). Relationship and ownership of the related party</u></td></tr>
<tr><td>1.</td><td>Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:</td><td>Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal.</td></tr>
<tr><td></td><td>- Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.</td><td>Not Applicable</td></tr>
<tr><td></td><td>- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>Nil</td></tr>
<tr><td></td><td>- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>121,86,724 Equity Shares (67.44%)</td></tr>
<tr><td colspan="3"><u>A(3). Details of previous transactions with the related party</u></td></tr>
<tr><td>1.</td><td colspan="2">Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.
<table><tr><th>S.No.</th><th>Nature of Transactions</th><th>FY 2025-26 (Rs. In Cr.)</th></tr><tr><td>1.</td><td>Purchase of Goods (exclusive of GST)</td><td>18.30</td></tr></table></td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>1.88 Crores (Approx.) exclusive of GST</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>No</td></tr>
<tr><td colspan="3"><u>A(4). Amount of the proposed transaction(s)</u></td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>25 Crores</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.</td><td>15.41%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>15.41%</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>136.61%</td></tr>
<tr><td>6.</td><td colspan="2">Financial performance of the related party for the immediately preceding financial year:
<table><tr><th>Particulars</th><th>FY 2025-26 (Rs. In Cr.)</th></tr><tr><td>Turnover</td><td>18.30</td></tr><tr><td>Profit After Tax</td><td>0.36</td></tr><tr><td>Net worth</td><td>3.58</td></tr></table></td></tr>
<tr><td colspan="3"><u>A(5). Basic details of the proposed transaction</u></td></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan,</td><td>Purchase of goods/services</td></tr>
</table>

	borrowing etc.)	
2.	Details of each type of the proposed transaction	Purchase of goods/services in the ordinary course of business.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 (One) Year from the date of passing of this resolution.
4.	Whether omnibus approval is being sought?	*Yes*
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	25 Crore (Rupees Twenty Five Crore Only). As omnibus approval is sought for the aforesaid related party transactions, the estimated break-up financial year-wise is not applicable.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enable it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Further, the integrated business model between the Company and material subsidiary results in operational synergies, improved resource utilization and cost efficiencies, while minimizing dependency on external third parties. Accordingly, RPT contribute to enhanced operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Mr. Vishal Jaiswal has 100% Capital Contribution in the Prakhar Industries
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

<u>B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances</u>		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for purchase of goods/services. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices, cost benchmarks, scope and nature of goods, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the

		transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (*of upto 365 days or such period for which such advances are extended as per normal trade practice*) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	5.33 Crores
	b. Tenure	12 Months
	c. Whether same is self-liquidating?	Yes. The trade advance is self-liquidating and shall be adjusted against the value of goods/services to be supplied/procured during the tenure of 12 months.

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not.

Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 6 for approval of the Members as an Ordinary Resolution.

Item No.7: To approve material related party transactions between Subsidiary, M/s Chemerix Life Sciences Private Limited and M/s Prakhar Industries

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, require that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity.

Chemerix Life Sciences Private Limited is a wholly owned subsidiary of SAI Machine Tools Private Limited, accordingly it is a step down - wholly owned subsidiary of the Company. Subsidiary proposes to enter into certain related party transaction(s) with M/s Prakhar Industries ("Prakhar Industries"), a sole proprietorship firm owned by Mr. Vishal Jaiswal, Whole-time Director of the Company. The proposed transactions primarily relate to purchase of goods/services, for the establishment of the factory unit and in the ordinary course of business and on an arm's length basis, on such terms and conditions as may be mutually agreed between the parties from time to time.

The proposed transaction are necessary for the establishment of efficient business operations and requirements of subsidiary. The transactions will be undertaken based on prevailing commercial terms and conditions and in accordance with the applicable provisions of law and the Company's Related Party Transaction Policy.

The aforesaid transaction(s) by the Subsidiary with Prakhar Industries, for Financial Year 2026-27 are estimated to be Rs. 25 Crore (Rupees Twenty Five Crores only) and the transaction amount exceeds the threshold prescribed for materiality i.e. Rs. 16.20 Crores (10% of the Consolidated Turnover of the Company for the FY ended March 31, 2026) and therefore, it is a material related party transaction. Accordingly, requires approval of the Members of the Company by way of passing of an Ordinary Resolution.

The Audit Committee of the Company has reviewed and approved the proposed related party transactions and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, has approved the proposal and recommends the resolution set out at Item No.7 of the accompanying Notice for approval of the Members.

The Audit Committee has reviewed the certificate provided by Managing Director cum Chief Financial Officer of the Company, as required under the RPT Industry Standards.

The details of the proposed related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	Details
Name of the related party	Prakhar Industries
Name of the Director/KMP who is related	Mr. Vishal Jaiswal
Nature of relationship	Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal
Nature of transaction	Purchase of goods / services
Material terms of the transaction	Transactions shall be undertaken on mutually agreed commercial terms
Tenure of the transaction	During the financial year 2026-27
Maximum aggregate value of transaction	Rs. 25 Crores
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	3.25 Crores
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	Prakhar Industries
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Trading of Machinery including parts, equipment's used for the manufacturing of rubber, plastic and other products.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal.
	- Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	Not Applicable
	- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil
	- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	121,86,724 Equity Shares (67.44%)
A(3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.	Not Applicable
2.	Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	0.83 Cr
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4). Amount of the proposed transaction(s)		
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	25 Crores
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	15.41%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Nil (The Subsidiary did not have any turnover during the immediately preceding financial year.)
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	136.61%
6.	Financial performance of the related party for the immediately preceding financial year:	

Particulars	FY 2025-26 (Rs. In Cr.)
Turnover	18.30
Profit After Tax	0.36
Net worth	3.58

A(5). Basic details of the proposed transaction		
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Purchase of goods/services
2.	Details of each type of the proposed transaction	Purchase of goods/services in the ordinary course of business.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 (One) Year from the date of passing of this resolution.
4.	Whether omnibus approval is being sought?	*Yes*
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	25 Crore (Rupees Twenty Five Crore Only). As omnibus approval is sought for the aforesaid related party transactions, the estimated break-up financial year-wise is not applicable.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enable it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Further, the integrated business model between the Company and material subsidiary results in operational synergies, improved resource utilization and cost efficiencies, while minimizing dependency on external third parties. Accordingly, RPT contribute to enhanced

		operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Mr. Vishal Jaiswal has 100% Capital Contribution in the Prakhar Industries
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

<u>B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances</u>		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for purchase of goods/services. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices, cost benchmarks, scope and nature of goods, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (*of upto 365 days or such period for which such advances are extended as per normal trade practice*) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	3.25 Crores
	b. Tenure	12 Months
	c. Whether same is self-liquidating?	Yes. The trade advance is self-liquidating and shall be adjusted against the value of goods/services to be supplied/procured during the tenure of 12 months.

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not.

Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 7 for approval of the Members as an Ordinary Resolution.

<u>Item No.8: To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s SMT Plast</u>

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, provide that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity, subject to the exemptions prescribed under the said Regulations.

SAI Machine Tools Private Limited ("SAI Machine Tools") is a material subsidiary of SMT Engineering Limited ("the Company"). During the Financial Year 2025-26, SAI Machine Tools entered into certain related party transactions with M/s SMT Plast ("SMT Plast"), a sole proprietorship concern owned by Mr. Ashok Jaiswal, Non-Executive Director of the Company.

The aforesaid transactions primarily related to the purchase of assets and purchase of goods and were undertaken in the ordinary course of business and on an arm's length basis, based on prevailing commercial terms and conditions mutually agreed between the parties. The transactions were undertaken in the ordinary course of the business of SAI Machine Tools and were considered necessary for meeting its business and operational requirements.

However, the aforesaid transactions were entered into without obtaining the requisite prior approval of the members of the Company, as required under the applicable provisions of Regulation 23 of the SEBI Listing Regulations. Accordingly, the transactions are being placed before the members of the Company for their consideration and ratification.

The aggregate value of the aforesaid related party transactions entered into by SAI Machine Tools with SMT Plast during the Financial Year 2025-26 was approximately Rs.12.12 Crores (Rupees Twelve Crores and Twelve Lakhs only). The aggregate value of the transactions exceeded the applicable materiality threshold of Rs. 2.10 Crores, being 10% of the annual consolidated turnover of the Company as per its last audited financial statements for the Financial Year ended March 31, 2025. Accordingly, the aforesaid transactions constitute material related party transactions under the applicable provisions of the SEBI Listing Regulations.

The Audit Committee of the Company has reviewed the details of the aforesaid related party transactions, including the nature, value and terms thereof, and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, recommends the resolution set out in the accompanying Notice for consideration and approval of the Members of the Company.

The Audit Committee has also considered the certificate furnished by the Managing Director-cum-Chief Financial Officer of the Company in accordance with the applicable RPT Industry Standards prescribed by the Securities and Exchange Board of India, confirming the relevant particulars and disclosures in respect of the aforesaid related party transactions.

The details of the related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	**Details**
Name of the related party	SMT Plast
Name of the Director/KMP who is related	Mr. Ashok Jaiswal
Nature of relationship	SMT Plast is a sole proprietorship concern owned by Mr. Ashok Jaiswal
Nature of transaction	Purchase of goods and Assets
Material terms of the transaction	Transactions were undertaken on mutually agreed commercial terms
Tenure of the transaction	FY 2025-26
Maximum aggregate value of transaction	Rs. 12.12 Crores approx.
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	7.10 Crores

Particulars	Details
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	SMT Plast
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Trading of Machinery including parts, equipment's used for the manufacturing of rubber, plastic and other products.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	SMT Plast is a sole proprietorship concern owned by Mr. Ashok Jaiswal.
	- Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	Not Applicable
	- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil
	- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	121,86,724 Equity Shares (67.44%)
A(3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year. S.No. / Nature of Transactions / FY 2024-25 (Rs. In Cr.) 1. / Purchase of Goods (exclusive of GST) / 7.9941	
2.	Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Nil
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No
A(4). Amount of the proposed transaction(s)		
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Rs. 12.12 Crores approx.
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	57.68%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	9.29%

5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	151.61
6.	Financial performance of the related party for the immediately preceding financial year:	

Particulars	FY 2024-25 (Rs. In Cr.)
Turnover	7.99
Profit After Tax	0.09
Net worth	0.21

A(5). Basic details of the proposed transaction

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Purchase of goods and assets
2.	Details of each type of the proposed transaction	Purchase of goods for Rs. 7.3135 Crores and Purchase of assets for the business of the Company Rs. 4.8040 Crores.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Transaction has been entered during the Financial Year 2025-26.
4.	Whether omnibus approval is being sought?	No, The transaction has been placed for the consideration and ratification.
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	12.12 Crores approx.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enabled it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Further, the integrated business model between the Company and material subsidiary results in operational synergies, improved resource utilization and cost efficiencies, while minimizing dependency on external third parties. Accordingly, RPT contribute to enhanced operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Mr. Ashok Jaiswal has 100% Capital Contribution in the SMT Plast

8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for purchase of goods/services. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices, cost benchmarks, scope and nature of goods, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (*of upto 365 days or such period for which such advances are extended as per normal trade practice*) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	7.10 Crores
	b. Tenure	12 Months
	c. Whether same is self-liquidating?	Yes. The trade advance is self-liquidating and shall be adjusted against the value of goods/services to be supplied/procured during the tenure of 12 months.

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not.

Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 8 for approval of the Members as an Ordinary Resolution.

Item No. 9: To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s Prakhar Industries

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, provide that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity, subject to the exemptions prescribed under the said Regulations.

SAI Machine Tools Private Limited ("SAI Machine Tools") is a material subsidiary of SMT Engineering Limited ("the Company"). During the Financial Year 2025-26, SAI Machine Tools entered into certain related party transactions with M/s Prakhar Industries ("Prakhar Industries"), a sole proprietorship concern owned by Mr. Vishal Jaiswal, Non-Executive Director of the Company.

The aforesaid transactions primarily related to the purchase of goods and were undertaken in the ordinary course of business and on an arm's length basis, based on prevailing commercial terms and conditions mutually agreed between the parties. The transactions were undertaken in the ordinary course of the business of SAI Machine Tools and were considered necessary for meeting its business and operational requirements.

However, the aforesaid transactions were entered into without obtaining the requisite prior approval of the members of the Company, as required under the applicable provisions of Regulation 23 of the SEBI Listing Regulations. Accordingly, the transactions are being placed before the members of the Company for their consideration and ratification.

The aggregate value of the aforesaid related party transactions entered into by SAI Machine Tools with Prakhar Industries during the Financial Year 2025-26 was approximately Rs.18.30 Crores (Rupees Eighteen Crore Thirty Lakhs only). The aggregate value of the transactions exceeded the applicable materiality threshold of Rs. 2.10 Crores, being 10% of the annual consolidated turnover of the Company as per its last audited financial statements for the Financial Year ended March 31, 2025. Accordingly, the aforesaid transactions constitute material related party transactions under the applicable provisions of the SEBI Listing Regulations.

The Audit Committee of the Company has reviewed the details of the aforesaid related party transactions, including the nature, value and terms thereof, and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, recommends the resolution set out in the accompanying Notice for consideration and approval of the Members of the Company.

The Audit Committee has also considered the certificate furnished by the Managing Director-cum-Chief Financial Officer of the Company in accordance with the applicable RPT Industry Standards prescribed by the Securities and Exchange Board of India, confirming the relevant particulars and disclosures in respect of the aforesaid related party transactions.

The details of the related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	**Details**
Name of the related party	Prakhar Industries
Name of the Director/KMP who is related	Mr. Vishal Jaiswal
Nature of relationship	Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal
Nature of transaction	Purchase of goods
Material terms of the transaction	Transactions were undertaken on mutually agreed commercial terms
Tenure of the transaction	FY 2025-26
Maximum aggregate value of transaction	Rs. 18.30 Crores approx.
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	9.40 Crores approx.
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	Prakhar Industries
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Trading of Machinery including parts, equipment's

<table>
<tr><td></td><td></td><td>used for the manufacturing of rubber, plastic and other products.</td></tr>
<tr><td colspan="3"><u>A(2). Relationship and ownership of the related party</u></td></tr>
<tr><td>1.</td><td>Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:</td><td>Prakhar Industries is a sole proprietorship concern owned by Mr. Vishal Jaiswal.</td></tr>
<tr><td></td><td>- Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.</td><td>Not Applicable</td></tr>
<tr><td></td><td>- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>Nil</td></tr>
<tr><td></td><td>- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>121,86,724 Equity Shares (67.44%)</td></tr>
<tr><td colspan="3"><u>A(3). Details of previous transactions with the related party</u></td></tr>
<tr><td>1.</td><td colspan="2">Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.
<table>
<tr><td>S.No.</td><td>Nature of Transactions</td><td>FY 2024-25 (Rs. In Cr.)</td></tr>
<tr><td>1.</td><td>Purchase of Goods (exclusive of GST)</td><td>11.13</td></tr>
</table></td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>1.88 Crores (Approx.) exclusive of GST</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>No</td></tr>
<tr><td colspan="3"><u>A(4). Amount of the proposed transaction(s)</u></td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>Rs. 18.30 Crores approx.</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.</td><td>87.06%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>14.02%</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>83.90%</td></tr>
<tr><td>6.</td><td colspan="2">Financial performance of the related party for the immediately preceding financial year:
<table>
<tr><td>Particulars</td><td>FY 2024-25 (Rs. In Cr.)</td></tr>
<tr><td>Turnover</td><td>21.81</td></tr>
<tr><td>Profit After Tax</td><td>0.20</td></tr>
<tr><td>Net worth</td><td>0.17</td></tr>
</table></td></tr>
<tr><td colspan="3"><u>A(5). Basic details of the proposed transaction</u></td></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of</td><td>Purchase of goods</td></tr>
</table>

	goods/services, purchase of goods/services, giving loan, borrowing etc.)	
2.	Details of each type of the proposed transaction	Purchase of goods in the ordinary course of business.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Transaction has been entered during the Financial Year 2025-26.
4.	Whether omnibus approval is being sought?	No, The transaction has been placed for the consideration and ratification.
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	18.30 Crores approx.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enabled it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Further, the integrated business model between the Company and material subsidiary results in operational synergies, improved resource utilization and cost efficiencies, while minimizing dependency on external third parties. Accordingly, RPT contribute to enhanced operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal,
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Mr. Vishal Jaiswal has 100% Capital Contribution in the Prakhar Industries
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for purchase of goods/services. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices, cost benchmarks, scope and nature of goods, volume, quality specifications, delivery timelines, and other

		relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (*of upto 365 days or such period for which such advances are extended as per normal trade practice*) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	9.40 Crores approx.
	b. Tenure	12 Months
	c. Whether same is self-liquidating?	Yes. The trade advance is self-liquidating and shall be adjusted against the value of goods/services to be supplied/procured during the tenure of 12 months.

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not.

Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.9 of the Notice.

The Board of Directors recommends the resolution set out at Item No.9 for approval of the Members as an Ordinary Resolution.

Item No.10: To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with M/s Softcare Solutions

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, provide that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity, subject to the exemptions prescribed under the said Regulations.

SAI Machine Tools Private Limited ("SAI Machine Tools") is a material subsidiary of SMT Engineering Limited ("the Company"). During the Financial Year 2025-26, SAI Machine Tools entered into certain related party transactions with M/s Softcare Solutions ("Softcare Solutions"), a Partnership firm, in which Mrs. Shikha Jaiswal, Mrs. Niharika Jaiswal, Mrs. Poonam Jaiswal and M/s SAI Machine Tools Private Limited are the Partners. Further Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal, are also directors of SAI Machine Tools Private Limited.

The aforesaid transactions primarily related to investment in the capital of the softcare solutions, and were undertaken in the ordinary course of business and on an arm's length basis, based on prevailing commercial terms and conditions mutually agreed between the parties.

However, the aforesaid transactions were entered into without obtaining the requisite prior approval of the members of the Company, as required under the applicable provisions of Regulation 23 of the SEBI Listing Regulations. Accordingly, the transactions are being placed before the members of the Company for their consideration and ratification as applicable.

The aggregate value of the aforesaid related party transactions entered into by SAI Machine Tools with Softcare Solutions during the Financial Year 2025-26 was approximately Rs 2.99 Crores (Rupees Two Crore Ninety Nine Lakhs only). The aggregate value of the transactions exceeded the applicable materiality threshold of Rs. 2.10 Crores, being 10% of the annual consolidated turnover of the Company as per its last audited financial statements for the Financial Year ended March 31, 2025. Accordingly, the aforesaid transactions constitute material related party transactions under the applicable provisions of the SEBI Listing Regulations.

The Audit Committee of the Company has reviewed the details of the aforesaid related party transactions, including the nature, value and terms thereof, and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, recommends the resolution set out in the accompanying Notice for consideration and approval of the Members of the Company.

The Audit Committee has also considered the certificate furnished by the Managing Director-cum-Chief Financial Officer of the Company in accordance with the applicable RPT Industry Standards prescribed by the Securities and Exchange Board of India, confirming the relevant particulars and disclosures in respect of the aforesaid related party transactions.

The details of the related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	**Details**
Name of the related party	Softcare Solutions
Name of the Director/KMP who is related Nature of relationship	Mrs. Shikha Jaiswal, Mrs. Niharika Jaiswal, Mrs. Poonam Jaiswal and M/s SAI Machine Tools Private Limited are the Partners in Softcare Solutions. Further Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal, are also directors of SAI Machine Tools Private Limited and Mrs. Poonam Jaiswal is the Promoter of the Company.
Nature of transaction	Investment in Capital
Material terms of the transaction	Transactions were undertaken on mutually agreed commercial terms
Tenure of the transaction	FY 2025-26
Maximum aggregate value of transaction	Rs. 2.99 Crores
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	Nil
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No.	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	Softcare Solutions
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Softcare Solutions involved in the wholesale business/ manufacturing/ supplier of extruders, vacuum moulding machines, thermoforming machines and parts thereof.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	SAI Machine Tools Private Limited did not have any contribution in the capital of Softcare Solutions at the time of entering into the aforesaid transaction. Subsequent to the transaction, SAI Machine Tools Private Limited has made a total investment of ₹2.99 Crores towards the capital of Softcare Solutions.
	- Shareholding of the listed entity/ subsidiary (in case of transaction involving	Not Applicable

<table>
<tr><td></td><td>the subsidiary), whether direct or indirect, in the related party.</td><td></td></tr>
<tr><td></td><td>- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>SAI Machine Tools Private Limited did not have any contribution in the capital of Softcare Solutions at the time of entering into the aforesaid transaction. Subsequent to the transaction, SAI Machine Tools Private Limited has made a total investment of ₹2.99 Crores towards the capital of Softcare Solutions.</td></tr>
<tr><td></td><td>- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>121,86,724 Equity Shares (67.44%)</td></tr>
<tr><td colspan="3"><u>A(3). Details of previous transactions with the related party</u></td></tr>
<tr><td>1.</td><td colspan="2">Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.
<table>
<tr><th>S.No</th><th>Nature of Transactions</th><th>FY 2024-25 (Rs. In Cr.)</th></tr>
<tr><td>1.</td><td>Purchase of Goods (exclusive of GST)</td><td>0.2933</td></tr>
</table></td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>Nil</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>No</td></tr>
<tr><td colspan="3"><u>A(4). Amount of the proposed transaction(s)</u></td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>Rs. 2.99 Crores</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.</td><td>14.22%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>2.29%</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>1019.03%</td></tr>
<tr><td>6.</td><td colspan="2">Financial performance of the related party for the immediately preceding financial year:
<table>
<tr><th>Particulars</th><th>FY 2024-25 (Rs. In Cr.)</th></tr>
<tr><td>Turnover</td><td>0.2933</td></tr>
<tr><td>Profit After Tax</td><td>(0.0216)</td></tr>
<tr><td>Net worth</td><td>(0.0216)</td></tr>
</table></td></tr>
<tr><td colspan="3"><u>A(5). Basic details of the proposed transaction</u></td></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)</td><td>Investment in the Capital</td></tr>
<tr><td>2.</td><td>Details of each type of the proposed transaction</td><td>Investment in the Capital</td></tr>
</table>

3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Transaction has been entered during the Financial Year 2025-26.
4.	Whether omnibus approval is being sought?	No, The transaction has been placed for the consideration and ratification.
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Rs. 2.99 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enabled it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Further, the integrated business model between the Company and material subsidiary results in operational synergies, improved resource utilization and cost efficiencies, while minimizing dependency on external third parties. Accordingly, RPT contribute to enhanced operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal (Directors), Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs. Niharika Jaiswal (Promoters), are directly/indirectly interested in the transaction.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not Applicable (Mrs. Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs. Niharika Jaiswal are the partners in the softcare solutions).
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

B(3). Disclosure in case of transactions relating to investment made by the listed entity or its subsidiary:

1.	Source of funds in connection with the proposed transaction.	Owned Funds of the Sai Machine Tools
2.	Where any financial indebtedness is incurred to make investment, specify the following:	Not Applicable
	a. Nature of indebtedness	
	b. Total cost of borrowing	
	c. Tenure	
	d. Other details	
3.	Purpose for which funds shall be utilized by the investee company.	Funds invested by the Sai Machine Tools in the capital of Softcare Solutions shall be utilized for the

		business of the firm.
4.	Material terms of the proposed transaction	Funds has been invested against the share in the capital of the firm.

C(2). Disclosure in case of transactions relating to any investment made by the listed entity or its subsidiary		
1.	Latest credit rating of the related party	Not Applicable
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	Not Applicable

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not.

Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 10 for approval of the Members as an Ordinary Resolution.

Item No.11: To consider and ratify the material related party transactions between Material Subsidiary, M/s Sai Machine Tools Private Limited with Mr. Ajay Jaiswal

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), inter alia, provide that all material related party transactions and subsequent material modifications thereto, as defined under the SEBI Listing Regulations, shall require prior approval of the shareholders of the listed entity, subject to the exemptions prescribed under the said Regulations.

SAI Machine Tools Private Limited ("SAI Machine Tools") is a material subsidiary of SMT Engineering Limited ("the Company"). During the Financial Year 2025-26, SAI Machine Tools entered into certain related party transactions with Mr. Ajay Jaiswal, who is a Director of SAI Machine Tools and the Managing Director-cum-Chief Financial Officer of the Company.

The aforesaid transactions primarily related to the borrowing of unsecured loan from Mr. Ajay Jaiswal, and were undertaken in the ordinary course of business and on an arm's length basis, based on prevailing commercial terms and conditions mutually agreed between the parties.

However, the aforesaid transactions were entered into without obtaining the requisite prior approval of the members of the Company, as required under the applicable provisions of Regulation 23 of the SEBI Listing Regulations. Accordingly, the transactions are being placed before the members of the Company for their consideration and ratification as applicable.

The aggregate value of the aforesaid related party transactions entered into by SAI Machine Tools with Mr. Ajay Jaiswal during the Financial Year 2025-26 was approximately Rs 3.33 Crores (Rupees Three Crores Thirty Three Lakhs only). The aggregate value of the transactions exceeded the applicable materiality threshold of Rs. 2.10 Crores, being 10% of the annual consolidated turnover of the Company as per its last audited financial statements for the Financial Year ended March 31, 2025. Accordingly, the aforesaid transactions constitute material related party transactions under the applicable provisions of the SEBI Listing Regulations.

The Audit Committee of the Company has reviewed the details of the aforesaid related party transactions, including the nature, value and terms thereof, and has recommended the same to the Board of Directors. The Board of Directors, based on the recommendation of the Audit Committee, recommends the resolution set out in the accompanying Notice for consideration and approval of the Members of the Company.

The Audit Committee has also considered the certificate furnished by the Whole-time Director and Managing Director-cum-Chief Financial Officer of the Company in accordance with the applicable RPT Industry Standards prescribed by the Securities and Exchange Board of India, confirming the relevant particulars and disclosures in respect of the aforesaid related party transactions.

The details of the related party transactions, as required under the applicable provisions of the Companies Act, 2013 and the SEBI Master Circular dated 30th January, 2026, read with SEBI circular dated 26th June, 2025, are as follows:

Particulars	**Details**
Name of the related party	Ajay Jaiswal
Name of the Director/KMP who is related Nature of relationship	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal (Directors), Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal (Promoters), are directly/indirectly interested in the transaction.
Nature of transaction	Borrowing of unsecured loan
Material terms of the transaction	Transactions were undertaken on mutually agreed commercial terms
Tenure of the transaction	FY 2025-26
Maximum aggregate value of transaction	Rs. 3.33 Crores approx.
Basis for determining the price	Arm's length basis and prevailing market/commercial terms
Whether the transaction is in the ordinary course of business	Yes
Whether the transaction is at arm's length	Yes
Any advance paid or received	Nil
Any other relevant information	None

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

S.No.	Particulars of the information	Information to be provided by the management
A(1). Basic details of the related party		
1.	Name of the related party	Ajay Jaiswal
2.	Country of incorporation of the related party	Not Applicable
3.	Nature of business of the related party	Mr. Ajay Jaiswal, is a Director of SAI Machine Tools and the Promoter & Managing Director-cum-Chief Financial Officer of the Company.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	Mr. Ajay Jaiswal, is a Director of SAI Machine Tools and the Promoter & Managing Director-cum-Chief Financial Officer of the Company.
	- Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	Not Applicable
	- Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	- Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	36,01,492 Equity Shares (19.93%) in the Company.

<table>
<tr><td colspan="3">A(3). Details of previous transactions with the related party</td></tr>
<tr><td>1.</td><td colspan="2">Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.
<table>
<tr><td>S.No.</td><td>Nature of Transactions</td><td>FY 2024-25 (Rs. In Cr.)</td></tr>
<tr><td>1.</td><td>Unsecured loan</td><td>3.51</td></tr>
</table></td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>0.25 Crores</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>No</td></tr>
<tr><td colspan="3">A(4). Amount of the proposed transaction(s)</td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>Rs. 3.33 Crores approx.</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.</td><td>15.75%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>2.55%</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>Not Applicable</td></tr>
<tr><td>6.</td><td colspan="2">Financial performance of the related party for the immediately preceding financial year:
<table>
<tr><td>Particulars</td><td>FY 2024-25 (Rs. In Cr.)</td></tr>
<tr><td>Turnover</td><td rowspan="3">Not Applicable</td></tr>
<tr><td>Profit After Tax</td></tr>
<tr><td>Net worth</td></tr>
</table></td></tr>
<tr><td colspan="3">A(5). Basic details of the proposed transaction</td></tr>
<tr><td>1.</td><td>specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)</td><td rowspan="2">Borrowing of unsecured loan</td></tr>
<tr><td>2.</td><td>Details of each type of the proposed transaction</td></tr>
<tr><td>3.</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>Transaction has been entered during the Financial Year 2025-26.</td></tr>
<tr><td>4.</td><td>Whether omnibus approval is being sought?</td><td>No, The transaction has been placed for the consideration and ratification.</td></tr>
<tr><td>5.</td><td>Value of the proposed transaction during a financial year.
If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>Rs. 3.33 Crores approx.</td></tr>
</table>

6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The RPT are in the interest of the Company as they enabled it to leverage the operational expertise and capabilities of material subsidiary in the manufacturing of extrusion and other related machines and seamless execution of its business operations. The transactions are undertaken in the ordinary course of business and on an arm's length basis, ensuring that they are commercially competitive and at par with prevailing market terms. Accordingly, RPT contribute to enhanced operational efficiency, cost optimization and overall value creation for the Company and its stakeholders, and are therefore in the best interest of the Company.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Ashok Jaiswal, Mr. Vishal Jaiswal, Mr. Ajay Jaiswal (Directors), Mrs, Poonam Jaiswal, Mrs. Shikha Jaiswal and Mrs Niharika Jaiswal (Promoters), are directly/indirectly interested in the transaction.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not Applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

B(5). Disclosure in case of transactions relating to borrowings by the listed entity or its subsidiary		
1.	Material covenants of the proposed transaction	Repayable on demand
2.	Interest rate	Nil
3.	Cost of borrowing	Nil
4.	Maturity / due date	Repayable on demand
5.	Repayment schedule & terms	
6.	Whether secured or unsecured	Unsecured
7.	If secured, the nature of security & security coverage ratio	Not Applicable
8.	The purpose for which the funds will be utilized by the listed entity/ subsidiary	Funds shall be utilized for the business of the Sai Machine Tools.

C(4). Disclosure in case of transactions relating to borrowings by the listed entity or its subsidiary		
1.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements	
	a. Before transaction	3.66
	b. After transaction	3.76
2.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	
	a. Before transaction	3.14
	b. After transaction	2.02

Pursuant to Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolution, whether the entity is a related party to the particular transaction or not. Accordingly Mr. Vishal Jaiswal, Mr. Ajay Jaiswal, Mr. Ashok Jaiswal and their relatives (Mrs. Shikha Jaiswal, Mrs. Poonam Jaiswal and Mrs. Niharika Jaiswal), being interested, shall not vote in this matter.

None of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 11 for approval of the Members as an Ordinary Resolution.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Ajay Jaiswal
Managing Director
DIN: 01754887

BOARD'S REPORT

To,
The Members
SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Your Directors have pleasure in presenting the Annual Report together with Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2026. Further, in compliance with the Companies Act, 2013 and the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has made requisite disclosures in this Board's Report with the objective of accountability and transparency in its operations to make you aware about its performance and future perspective of the Company.

FINANCIAL HIGHLIGHTS

The financial performance on the basis of Standalone & Consolidated Financial Statements for the year ended 31st March, 2026 is summarized as below:

(Figures in Lakhs except Earnings per Share)

Particulars	**Standalone**		**Consolidated**	
	March 31, 2026	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**
Revenue from operations	-	747.27	16,223.85	2,101.84
Other Income	190.15	10.21	48.94	8.17
Total Income	190.15	**757.48**	**16,272.78**	**2,110.02**
Less: Expenditure	123.64	738.73	12,711.48	1,844.40
Profit / Loss before exceptional items	**66.51**	**18.75**	**3,561.30**	**265.62**
Exceptional Items	-	-	-	4.62
Profit/(Loss) before tax	**66.51**	**18.75**	**3,561.30**	**270.24**
Tax Expense – Current, Deferred & earlier years	16.74	0.68	1,253.29	35.72
Profit/(Loss) for the Year	**49.77**	**18.08**	**2,308.01**	**234.52**
Share of Profit / (Loss) of Associate Entity	-	-	-	12.12
Other Comprehensive income	-	0.02	(19.76)	48.99
Total Comprehensive income	**49.77**	**18.09**	**2,288.26**	**295.62**
Earnings per Share	0.30	0.47	13.80	6.35

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

Standalone: The Company has not achieved any revenue from operations on a standalone basis, compared to Rs. 747.27 Lakhs in the previous year. During the year under review, the company has profit of Rs. 49.77 Lakhs, compared to the profits of Rs. 18.08 Lakhs in the previous year. The earnings per share (EPS) decreased to Rs. 0.30 from Rs. 0.47 in the last financial year.

Consolidated: The Company achieved revenue from operations of Rs. 16,223.85 Lakhs on a Consolidated basis, compared to Rs. 2,101.84 Lakhs in the previous year. During the year under review, the company earned profits of Rs. 2,308.01 Lakhs, compared to the profits of Rs. 246.64 Lakhs in the previous year. The earnings per share (EPS) increased to Rs. 13.80 from Rs. 6.35 in the last financial year. Your Company is making all efforts to accelerate the growth of its business. In spite of the market risk faced by your Company, your directors are optimistic about the future prospects of the Company. A detailed review of the operations, performance of the Company and its business is given in the Management Discussion & Analysis, which forms part of the Annual Report.

CHANGE IN NATURE OF COMPANY'S BUSINESS

During the year under review, the members of the Company through postal ballot on May 12th, 2025, approved the change in Main Object of the Company. The revised objects are detailed in the Management Discussion and Analysis Report forming part of this Annual Report.

RESERVES

Your Directors have not transferred any amount to the credit of the General Reserve of the Company for the year ended 31st March, 2026.

DIVIDEND

The Board of Directors has chosen not to recommend the distribution of a dividend to shareholders at this time. This decision is driven by a strategic emphasis on conserving the company's financial resources.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

REVISION IN FINANCIAL STATEMENTS OR BOARD'S REPORT U/S 131(1) OF THE COMPANIES ACT, 2013

In terms of Section 131 of the Companies Act, 2013, the Financial Statements and Board's Report are in compliance with the provisions of Section 129 or Section 134 of the Companies Act, 2013 and that no revision has been made during any of the three preceding financial years.

ANNUAL RETURN

The Annual Return of the Company as on 31st March 2026 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at https://smtel.in/investor-relation/.

MATERIAL CHANGES AND COMMITMENTS

The members of the Company through postal ballot on May 12th, 2025, approved the following amendments to the Memorandum of Association (MOA) of the Company:

a. Change in name of the Company from *Adarsh Mercantile Limited* to *SMT Engineering Limited*. The change has been duly approved and updated in the records of both the Ministry of Corporate Affairs (MCA) and the Bombay Stock Exchange (BSE).
b. Shifting of the Registered office of the Company from the State of *West Bengal* to the state of *Madhya Pradesh*.
c. Amendment in the Main Object of the Company. The revised objects are detailed in the Management Discussion and Analysis Report forming part of this Annual Report.

The members of the company at the Extra Ordinary General Meeting held on Tuesday, 06th January 2026 approved the resolution to increase the Authorised Share Capital of the Company from existing Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 1,70,00,000 (One Crore Seventy Lakh) Equity Shares Rs. 10/- (Rupees Ten only) to Rs. 18,10,00,000 (Rupees Eighteen Crore Ten Lakhs only) divided into 1,81,00,000 equity shares of Rs. 10/- (Rupees Ten only) each. The new shares rank *pari passu* in all respects with the existing Equity Shares of the Company, as per the Memorandum and Articles of Association.

The Company has allotted 15,50,000 (Fifteen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each at an issue price of Rs. 225/- (Rupees Two Hundred and Twenty-five only) per share, on preferential basis ('Preferential Issue') to the Non-Promoter Public Category Investors, in accordance with Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the provisions of the Companies Act, 2013 and rules made there under as on 10.02.2026.

Furthermore, there have been no other material changes or commitments occurring between the end of the financial year and the date of this Report that would affect the financial position of the Company.

CHANGE IN CAPITAL STRUCTURE

During the year under review, the capital structure of the Company was increased as detailed below:

a. Increase in Authorized Share Capital:
   The Authorized Share Capital of the Company was increased from 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 1,70,00,000 (One Crore Seventy Lakh) Equity Shares Rs. 10/- (Rupees Ten only) to Rs. 18,10,00,000 (Rupees Eighteen Crore Ten Lakhs only) divided into 1,81,00,000 equity shares of Rs. 10/- (Rupees Ten only) each. The new shares rank *pari passu* in all respects with the existing Equity Shares of the Company, as per the Memorandum and Articles of Association.

b. Preferential Allotment (Cash Consideration):
   A preferential allotment was also made to non-promoter investors for 15,50,000 (Fifteen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each at an issue price of Rs. 225/- (Rupees Two Hundred and Twenty-five only) per share, aggregating to ₹34,87,50,000 (Rupees Thirty-Four Crore Eighty-Seven Lakhs Fifty thousand only), for cash.

Further, during the year under review, the Company did not issue any shares under employee stock option schemes, sweat equity shares, or equity shares with differential rights as to dividend, voting, or otherwise. Additionally, the Company did not undertake any buyback of its securities during the year.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information related to Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo as required under section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are annexed to this report as **"Annexure-A".**

RISK MANAGEMENT

Your Director's have adopted a Risk Management Policy for the Company. The Audit Committee and the Board of Directors of the Company reviewed the risks, if any, involved in the Company from time to time, and took appropriate measures to minimize the same. The Audit Committee ensures that the Policy for Risk Management is adopted across the Company in an inclusive manner. Policy is available on the Company's website at https://smtel.in/investor-relation/.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the remuneration and other details is being annexed to this report as **"Annexure-B".**

Details of top ten employees in terms of the remuneration and employees in receipt of remuneration as prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing details prescribed under rule 5(3) of the said rules, which form part of the Directors' Report, will be made available to any member on request, as per provisions of section 136(1) of the Act.

COMMISSION RECEIVED BY DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY

During the year under review, the Company does not have holding company and no commission received by Directors of Company from the subsidiary company, therefore, disclosure under Section 197 (14) of the Companies Act, 2013 is not applicable.

CODE OF CONDUCT AS PER SEBI (LODR) REGULATIONS, 2015

The Board of Directors has laid down The Amended Code of Conduct for all Board Members and Senior Management Personnel as per Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015. The Code is displayed on the Company's website: https://smtel.in/investor-relation/.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director cum Chief Financial Officer is annexed as **"Annexure-C".**

CODE OF CONDUCT AS PER SEBI (PREVENTION OF INSIDER TRADING) REGULATIONS, 2015

The Board of Directors has laid down the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information as per Regulation 8(1) of SEBI (Prevention of Insider Trading)

Regulations, 2015 & Code of Conduct to Regulate, Monitor and Report trading by the Designated Persons as per Regulation 9(1) of SEBI (Prevention of Insider Trading) Regulations, 2015.

SECRETARIAL STANDARDS

The Board of Directors of the Company state that, during the year under review the applicable Secretarial Standards, relating to Board Meetings and General Meetings respectively have been duly followed by the Company.

INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS

Your Company adopted IND-AS pursuant to the Ministry of Corporate Affairs' notification dated 16 February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. The Financial Statements which are part of the Annual Report are being prepared as per the Companies (Indian Accounting Standard) Rules, 2015.

DIRECTOR'S & KEY MANAGERIAL PERSONNEL (KMP)

Composition of Board & Key Managerial Personnel

As on March 31, 2026, the Board of Directors of the Company comprised of Executive and Non-Executive Directors, including Independent Directors, thereby ensuring strong governance and effective decision-making. The composition of the Board and Key Managerial Personnel as on the said date was as follows:

1. Mr. Ashok Jaiswal	Chairman and Non-Executive, Non-Independent Director
2. Mr. Ajay Jaiswal	Managing Director & Chief Financial Officer
3. Mr. Vishal Jaiswal	Wholetime Director
4. Mr. Abhishek Kanungo	Independent Director
5. Mr. Rajendra Saxena	Independent Director
6. Mrs. Varsha Ravindra Bhadoriya	Independent Women Director
7. Mr. Mohd Shanawaz Shekh	Company Secretary & Compliance Officer

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. All the Directors possess requisite qualifications and experience in general corporate management, operations, technical expertise, strategy, governance, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section149(6) of the Companies Act, 2013.

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees is stated on website of the Company i.e. https://smtel.in/investor-relation/.

INDEPENDENT DIRECTORS

All the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed there under and Regulation 16(1)(b) of the Listing Regulations and they continue to comply with the Code of Conduct laid down under Schedule IV of the Act.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 & Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations that they are independent of the management and complied with the code for independent directors prescribed in Schedule IV to the Companies Act, 2013.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

RETIREMENT BY ROTATION

Pursuant to Section 149(13) of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation. Further Section 152(6) of the Companies Act, 2013 stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every Annual General meeting of the Company. To meet the requirement of provisions of Section 152(6) of the Companies Act, 2013, Mr. Vishal Jaiswal (DIN: 01741062), Whole Time Director will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment to the Board of Directors of the Company at the ensuing Annual General Meeting.

CHANGES IN KEY MANAGERIAL PERSONNEL

During the year under review, the following Directors and Key Managerial Personnel (KMPs) were appointed with effect from March 7, 2025, and their appointments were subsequently regularised by the members through a postal ballot on May 12, 2025.

1. Mr. Ashok Jaiswal as, Non-Executive, Non-Independent Director of the Company.
2. Mr. Ajay Jaiswal as the Managing Director & Chief Financial Officer of the Company for a tenure of three years, commencing from March 07th, 2025 to March 06th, 2028.
3. Mr. Vishal Jaiswal as a Wholetime Director of the Company for a tenure of three years, commencing from March 07th, 2025 to March 06th, 2028.
4. Mr. Yogesh Arvindbhai Bhuva as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.
5. Mr. Deepak Vyas as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.
6. Ms. Mitwa Nayan Shah as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.

The following Independent Directors were appointed with effect from October 01, 2025.

1. Mr. Abhishek Kanungo, appointed as an Independent Director of the Company, for a term of five years commencing from October 01st, 2025 to September 30th, 2030.
2. Mr. Rajendra Saxena, appointed as an Independent Director of the Company, for a term of five years commencing from October 01st, 2025 to September 30th, 2030.
3. Mrs. Varsha Ravindra Bhadoriya, appointed as an Independent Director of the Company, for a term of five years commencing from October 01st, 2025 to September 30th, 2030.

Further, the following Independent Directors were resigned with effect from October 03, 2025:

1. Mr. Yogesh Arvindbhai Bhuva, resigned from the office of Independent Director of the Company, w.e.f. October 03, 2025.

2. Mr. Deepak Vyas, resigned from the office of Independent Director of the Company, w.e.f. October 03, 2025.
3. Ms. Mitwa Nayan Shah resigned from the office of Independent Director of the Company, w.e.f. October 03, 2025.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations u/s 149(7) of the Companies Act, 2013 from Independent Directors confirming they meet the criteria of independence as prescribed under Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPOSITION OF COMMITTEES

As required under the Regulation 18, 19 and 20 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Companies Act, 2013, and the Company has constituted the following statutory committees:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Stakeholders Relationship Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report.

NOMINATION & REMUNERATION POLICY

The company has a Nomination, Remuneration and Evaluation Policy under section 178 of the Companies Act 2013 and available at the website of the company at. https://smtel.in/investor-relation/.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has framed Familiarization Programme for Independent Directors pursuant to Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and uploaded the same on the website of the Company. The web link to access the aforesaid programme is https://smtel.in/investor-relation/.

MEETINGS

During the financial year ended on March 31, 2026, 12 (Twelve) Board Meetings were held on April 03, 2025, June 16, 2025, July 07, 2025, August 12, 2025, September 02, 2025, September 12, 2025, November 05, 2025, November 13, 2025, November 26, 2025, February 10, 2026, February 12, 2026 and February 25, 2026. Further, details of the meetings of the Board and its Committees are given in the Corporate Governance Report, which forms part of the Annual Report and the intervening gap between meetings were within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The necessary quorum was present for all the meetings.

AUDITORS REPORT

The observations of the auditors are self-explanatory and therefore, do not call for any further comments.

[A] STATUTORY AUDITOR

M/s Anil Kamal Garg & Company, Chartered Accountants (Firm Registration No. 004186C), were appointed as the Statutory Auditor of the Company for a term of five consecutive financial years, to hold office until the conclusion of the Annual General Meeting (AGM) for the financial year 2029-30. Their term shall accordingly conclude at the AGM to be held in the year 2030.

Statutory Auditor has given qualifications/ reservations / adverse remarks in the Independent Audit Report for the Financial Year ended on 31st March, 2026; and the Board's comments on such qualifications/ reservations / adverse remarks, are as under:

Auditors Comment: In our Opinion and according to the information and explanation given to us, the Company has utilised funds raised by way of Preferential Allotment of shares for the purposes for which they were raised except the amount of Rs. 3,05,00,000/- (utilized for the other purpose).

Management Reply: The Company received total proceeds of Rs. 34,87,50,000/- pursuant to the preferential allotment made on 10th February, 2026. Out of the said proceeds, the Company has utilized an amount of Rs. 3,05,00,000/- towards its business operations to meet its immediate fund requirements, which was not specifically covered under the stated objects of the issue.

However, pursuant to the BSE Circular/Notice No. 20221213-47 dated 13 December 2022, deviation in the utilization of issue proceeds from the stated objects of the issue is permissible up to 10% of the total issue size. The permissible limit of 10% of the total issue proceeds amounts to Rs. 3,48,75,000/-. Against this, the Company has utilized Rs. 3,05,00,000/- towards its business operations.

In view of the above, the utilization of Rs. 3,05,00,000/- towards the Company's business operations is within the permissible deviation limit prescribed under the aforesaid BSE Circular/Notice. Accordingly, the said utilization does not constitute any violation or non-compliance with the applicable provisions of the relevant laws, regulations, circulars or guidelines governing the utilization of the issue proceeds.

Further, the Report given by the Auditor on the financial statements of the Company is part of this Annual Report. There has been no other qualification, reservation, adverse remark or disclaimer given by the Auditor in their report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013.

[B] SECRETARIAL AUDITOR

The Board of Directors had appointed M/s P.S. Tripathi & Associates, Practicing Company Secretaries (Firm Registration No. P2011MP024200), as the Secretarial Auditor of the Company in accordance with the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They conducted the Secretarial Audit and provided the Annual Secretarial Compliance Report for the financial year 2025-26. The Secretarial Audit Report is annexed to this Report as "**Annexure-D**".

Secretarial Auditor has given qualifications/ reservations / adverse remarks in the Secretarial Audit Report for the Financial Year ended on 31st March, 2026; and the Board's comments on such qualifications/ reservations / adverse remarks, are as under:

S.No.	Auditor qualification/ reservation/ adverse remark	Management Reply
1.	The listed entity has not been filed the annual financial results for year ended 31st March, 2025 within 60 days from the end of financial year. However the Company has filled the annual financial results on 16.06.2025 therefore 16 days delay in filing of Annual Financial Results of Financial Year ended 31st March, 2025 and also the company has paid amount of Rs. 88,500/-fine to the BSE.	Self Explanatory
2.	The listed entity has to disclose related party transaction in the format as specified and within the prescribed timeline. The listed entity has disclose the details of Related Party Transactions on 14.11.2025 therefore delay of one day in filing details of Related Party Transactions for the half year ended 30th September, 2025 also the company has paid amount of Rs. 5,900/-fine to the BSE.	Self Explanatory
3.	As per Regulation 23(4) of Securities exchange board of India (Listing obligation and disclosure requirement) Regulation 2015 all material related party transactions shall require prior approval of the shareholders through resolution. The listed entity did not obtain prior approval of Shareholders for the material related party transactions.	Due to inadvertence, the Company failed to obtain the shareholders' approval for the related party transactions entered into by its material subsidiary, SAI Machine Tools Private Limited.
4.	The listed entity has to be provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. The Company did not reported loan taken by material subsidiary to stock exchange.	Self Explanatory

Further, in compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report of the Company's material subsidiary, Sai Machine Tools Private Limited, as issued by Mrs. Archna Maheshwari, Proprietor of M/s Archna Maheshwari & Company, is annexed herewith as 'Annexure-D'.

[C] INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the rules made thereunder, the Board had appointed M/s Pradhumn Pathak & Associates, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2025-26. The Internal Auditors have submitted their report to the Audit Committee for its review.

The Company has in place an internal control system that is commensurate with the size, scale, and complexity of its operations. The scope and authority of the internal audit function are defined by the Audit Committee, which delegates the responsibility to the Internal Auditor while ensuring the objectivity and independence of the function.

The Internal Auditor reports functionally to the Chairperson of the Audit Committee and administratively to the Chairperson of the Board. The Internal Auditor is responsible for monitoring and evaluating the adequacy and effectiveness of the internal control systems, and for ensuring compliance with operational procedures, accounting policies, and regulatory requirements across all locations of the Company. Any deficiencies or areas of concern identified are promptly communicated to the management for corrective action.

Further the Internal Auditor also reported that the Company has utilized funds raised by way of Preferential Allotment of shares for the purposes for which they were raised except the amount of Rs. 3,05,00,000/- (utilized for the other purpose). Management replied and ensured that the Company utilized the amount of Rs. 3,05,00,000/- towards its business operations to meet its immediate fund requirements. The utilization of the said amount is in compliance with BSE Circular No. 20221213-47 dated 13 December 2022, which permits deviation in the utilization of issue proceeds for the stated objects of the issue up to 10% of the total issue size.

[D] COST RECORD AND COST AUDIT

During the year under review, the Company was not required to maintain cost records or conduct a cost audit as prescribed under Section 148(1) of the Companies Act, 2013.

UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTTMENT OF EQUITY SHARES

During the year under review, on 12th February, 2026 the Company has raised funds through preferential allotment to non-promoter investors for 15,50,000 (Fifteen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each at an issue price of Rs. 225/- (Rupees Two Hundred and Twenty-five only) per share, aggregating to ₹34,87,50,000 (Rupees Thirty-Four crore Eighty only), for cash.

The aforesaid funds have been utilized as detailed below as at March 31, 2026:

Particular	Amount
Utilized for the object	13,36,50,000
Utilized for other than object*	3,05,00,000
Unutilized Amount**	18,46,00,000
Total	**34,87,50,000**

*Pursuant to the BSE Circular/Notice No. 20221213-47 dated 13 December 2022, deviation in the utilization of issue proceeds from the stated objects of the issue is permissible up to 10% of the total issue size. The permissible limit of 10% of the total issue proceeds amounts to Rs. 3,48,75,000/-. Against this, the Company has utilized Rs. 3,05,00,000/- towards its business operations.

In view of the above, the utilization of Rs. 3,05,00,000/- towards the Company's business operations is within the permissible deviation limit prescribed under the aforesaid BSE Circular/Notice. Accordingly, the said utilization does not constitute any violation or non-compliance with the applicable provisions of the relevant laws, regulations, circulars or guidelines governing the utilization of the issue proceeds.

**Unutilized Amount has been kept in FDR with scheduled bank.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

In accordance with Section 129(3) of the Act read with Rule 8(1) of Companies (Accounts) Rules, 2014, the Consolidated Financial Statements of the Company and its subsidiaries have been prepared by the Company and a separate statement containing the salient features of the financial statement of its subsidiaries in form **AOC-1** is attached as **“Annexure – E”** to this Annual Report.

In terms of provisions of Section 136 of the Act, separate audited accounts of the subsidiary company shall be available on Company's website at https://smtel.in/investor-relation/. The Company will make available physical copies of these documents upon request by any shareholder of the Company interested in obtaining the same and are available for inspection by any Member of the Company at the Registered Office of the Company.

CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

All the contracts, arrangements or transactions entered into during the year under review by the Company with related parties were in ordinary course of business and on an arm's length basis. Prior omnibus approval is obtained for related party transactions (RPT's) which are of a repetitive nature and entered in the Ordinary Course of Business and are at Arm's Length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, has been placed on quarterly basis for review by the Audit Committee.

Since all the Related Party Transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. Therefore, the provisions of Section 188 of the Act are not applicable. Thus, the disclosure in Form AOC-2 is not required. Further, there were no materially significant Related Party Transactions entered into by the Company during the year under review with its Promoters, Directors, Key Managerial Personnel or other designated persons that may have had a potential conflict with the interests of the Company at large.

However, during the financial year 2025-26, the Company's Material Subsidiary, SAI Machine Tools Private Limited, entered into certain Material Related Party Transactions in which the Company was not a party. As the aggregate value of such transactions exceeded the prescribed materiality threshold under the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior approval of the shareholders of the Company was required but was not obtained before entering into such transactions. Henceforth, the Board on the recommendation of the Audit Committee, proposes such material related party transactions, to the members of the Company for their consideration and ratification in the ensuing Annual General Meeting. The details of such material related party transactions can be accessed from the Balance Sheet of SAI Machine Tools Private Limited, available on the Company's website at https://smtel.in/investor-relation/.

As per the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has framed a policy on dealing with RPTs which can be accessed on the Company's website at https://smtel.in/investor-relation/. This Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with the Related Parties.

PUBLIC DEPOSIT

Your Company has neither invited nor accepted any deposit from the public during the year under review and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of Deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

However, there is no unsecured loan from a Director/Promoter of the Company as on 31.03.2026.

APPLICABILITY & PROCEEDING PENDING UNDER INSOLVENCY & BANKRUPTCY ACT, 2016 & THEIR STATUS

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

DIFFERENCE IN VALUATION DONE AT ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS & FINANCIAL INSTITUTIONS

There was no one time settlement of loan taken from Banks or any Financial Institutions. Hence, the difference in valuation does not arise.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In reference to "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013," we would like to clarify that our Company does not fall under the applicability of the said Act based on the nature and structure of our organization. Accordingly, the constitution of an Internal Complaints Committee (ICC) is not mandated under the current legal framework.

However, the Company maintains a zero-tolerance policy towards any form of sexual harassment or inappropriate behavior at the workplace and is committed to ensuring a safe, respectful, and inclusive work environment for all employees.

STATEMENT WITH RESPECT TO COMPLIANCE OF THE PROVISIONS RELATING TO MATERNITY BENEFIT ACT 1961

During the year under review, the Company did not fall under the applicability of the Maternity Benefit Act, 1961, as the number of employees in the organization was below the threshold prescribed under the Act.However, the Company remains committed to upholding employee welfare and ensuring a supportive and inclusive work environment, and voluntarily considers employee needs where applicable.

DISCLOSURE OF VOTING RIGHTS NOT EXCERCISED

The Company has not made any provision of money for the purchase of, or subscription for, shares in the Company, if the purchase of, or the subscription for, the shares by trustees is for the shares to be held by or for the benefit of the employees of the Company and accordingly the disclosure under the provisions of Rule 16(4) of Chapter IV (Share Capital and Debentures) of the Companies Act, 2013 is not applicable for the year.

PROVISION OF VOTING BY ELECTRONIC MEANS:

Your Company is providing E-voting facility under Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The details regarding e-voting facility is being given with the notice of the AGM Meeting.

ENHANCING SHAREHOLDER VALUE

Your Company firmly believes that its success in the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organizational vision is founded on the principles of good governance and by the resolve to be a customer-centric organization which motivates the

Company's Management to be aligned to deliver leading-edge building products backed with dependable after sales services. Your Company is committed to creating and maximizing long term value for shareholder and essentially follows a four-pronged approach to achieve this end.

a. By increasing all round operational efficiency,
b. By identifying strategies that enhance its competitive advantage,
c. By managing risks and pursuing opportunities for profitable growth,
d. By cementing relationships with other important stakeholder groups through meaningful engagement processes and mutually rewarding associations that enable it to create positive impacts on the economic, societal and environmental dimensions of the Triple Bottom Line.

Underlying this is also a dedication to value-friendly financial reporting that assures the shareholder and investor of receiving transparent and unfettered information on the Company's performance.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review the Company has given loans and issued guarantees to its subsidiaries under the provisions of Section 186 of the Act. The details of the outstanding Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the following manners;

- The performance of the board was evaluated by the board after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meeting like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- In addition, the chairman was also evaluated on the key aspects of his role.

The Company has adopted a Code of Conduct for its employees including the Managing Director, Non-Executive Directors which includes Independent Directors. The same can be accessed on the website of the Company at https://smtel.in/investor-relation/.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not qualify under the criteria as prescribed to adopt the corporate social responsibility.

MD & CFO CERTIFICATION

In accordance with the provisions of Regulation 17(8), read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company, being the same individual, has issued a certificate certifying the authenticity of the Financial Statements for the financial year 2025-26. The certificate confirms that the Financial Statements present a true and fair view of the affairs of the Company. The said certificate, dated 29th May, 2026, was placed before the Board at its meeting held on the same day and was reviewed and taken on record. A copy of the certificate is attached as **"Annexure – F"** to this Annual Report. As the Company does not have a separate Chief Executive Officer (CEO), the certificate has been duly issued by the Managing Director cum Chief Financial Officer.

CORPORATE GOVERNANCE

Your Company has been practicing the principles of good corporate governance and is committed to maintain high standards of the corporate ethics and professionalism. The tenets of inclusiveness and transparency are integral part of our corporate governance practices.

In compliance with the provisions of Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Corporate Governance is available as a separate section in this Annual Report.

A certificate pursuant to Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from M/s P.S. Tripathi & Associates, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as **"Annexure – G"**.

CERTIFICATE FROM PRACTICING COMPANY SECRETARY OF NON-DISQUALIFICATION OF DIRECTORS

The Company has obtained a certificate from M/s P.S. Tripathi & Associates, Practicing Company Secretaries, in accordance with the provisions of Regulation 34(3) and Schedule V Para C Clause (10)(i) of LODR Regulations, 2015 confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such statutory authority and the same is annexed hereto as **"Annexure – H".**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the provisions of Regulation 34(2)(e) read with Para B Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis Report on Company's performance - industry trends and other material changes with respect to the Company and its subsidiary, wherever applicable, forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors state that;

a) In the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures from the same.
b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March 2026 and of the profit of the Company for that period.
c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the annual accounts on a going concern basis.
e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SIGNIFICANT /MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

INTERNAL FINANCIAL CONTROLS

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition. The Audit Committee of the Company comprising majority of Independent Directors regularly reviews the audit plans, adequacy of internal control as well as compliance of accounting standards. Also the CFO has the responsibility for establishing and maintaining internal controls for financial reporting and that they also have the overall responsibility to evaluate the effectiveness of internal control systems of the company pertaining to financial reporting and they have to disclose to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify the deficiencies.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which requires the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act, 2013 and rules framed thereunder.

LISTING ON STOCK EXCHANGES

The Equity shares of the Company are listed on BSE Limited (BSE) and necessary listing fees have been paid up to date.

DEMATERIALISATION:

The Company's shares are presently held in both electronic and physical modes.

DESIGNATED PERSON FOR THE PURPOSE OF DECLARATION OF BENEFICIAL INTEREST

The Company has appointed the Managing Director and the Company Secretary of the Company, as Designated Person for the purpose of declaration of beneficial interest in the shares of the Company pursuant to provision of Rule 9(4) of Companies (Management and Administration) Rules, 2014 as amended by MCA vide Notification dated 27th October, 2023.

HUMAN RESOURCES

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people's attention are currently underway. Your Company thrust is on promoting of talent internally through job rotation and job enlargement.

INDUSTRIAL RELATIONS

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

VIGIL MECHANISM

The Company has established a vigil mechanism, incorporating a whistle blower policy in lines with the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to protect the interest of the employees and executives in reporting their grievances in a protected manner. It also provides for the protection against victimization of directors and employees who avail this mechanism and allows direct communication with the Chairperson of the Audit Committee, in certain appropriate and exceptional circumstances. The policy on vigil mechanism may be accessed on the Company's website https://smtel.in/investor-relation/.

ACKNOWLEDGEMENT

Your Director's wish to place on record their appreciation for the contribution made by employees at all levels to the continued growth and prosperity of your Company. Yours directors also take the opportunity to offer thanks to all the stakeholders for their wholehearted and continued support, assistance and co-operation which had always been a source of strength for the Company. Without this appreciable support it would not have been possible for the company to stands in competitive market, therefore company seeks this support in future too.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026	**Vishal Jaiswal**	**Ajay Jaiswal**
Place: Indore	**Wholetime Director**	**Managing Director**
	DIN: 01741062	**DIN: 01754887**

ANNEXURE-A

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

[Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

S.No.	Particulars	Comments
(A) Conservation of Energy		
(i)	The steps taken or impact on conservation of energy	-
(ii)	The steps taken by the Company for utilizing alternate sources of energy	-
(iii)	The capital investment on energy conservation equipment	-
(A) Technology Absorption		
(i)	The efforts made towards technology absorption	
(ii)	The benefit derived like product improvement, cost reduction, product - development or import substitution	-
(iii)	In case of imported technology (imported during the last three years reckoned - from the beginning of the financial year)	-
	a. The details of technology imported	-
	b. The year of import	-
	c. Whether the technology been fully absorbed	-
	d. If not fully absorbed, areas where absorption has not taken place, and - the reason thereof	-
	e. The expenditure incurred on Research and Development	-
(C) Foreign exchange earnings and Outgo		
(i)	Foreign Exchange Earning	-
(ii)	Foreign Exchange Outgo	-

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026	**Vishal Jaiswal**	**Ajay Jaiswal**
Place: Indore	**Wholetime Director**	**Managing Director**
	DIN: 01741062	**DIN: 01754887**

ANNEXURE-B

I. Disclosure pursuant to Section 197(12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the year ended 31st March, 2026 and Percentage increase/(decrease) in the remuneration:

Name of the Director and Key Managerial Personal	Designation	Remuneration (In Lakhs)	% Increase in remuneration from previous year*	Ratio (Remuneration of Director to Median Remuneration)
Mr. Ajay Jaiswal	Managing Director and CFO	48	N.A.	7.44:1
Mr.Vishal Jaiswal	Wholetime Director	48	N.A.	7.44:1
Mr. Mohd Shanawaz Shekh	Company Secretary	6.45	N.A.	N.A.

*The above Key Managerial Personnel (KMPs) were appointed with effect from March 7, 2025, hence the percentage increase in remuneration is not applicable.

Note:

a. No other Director other than the Executive Director received any remuneration during the financial year 2025-26.
b. The median remuneration of employees of the Company during the financial year was Rs. 6.45 Lakhs compared to the previous year was Rs. 96,000/-.
c. There were 3 permanent employees on the rolls of Company as on March 31st, 2026.
d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was Nil and its comparison with the percentile increase in the managerial remuneration was Nil. There are no exceptional circumstances for increase in the managerial remuneration
e. It is hereby affirmed that the remuneration paid during the year ended March 31st, 2026 is as per the Remuneration Policy of the Company.

II. STATEMENT PURSUANT TO RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Names of the top ten employees in terms of remuneration drawn and the name of every employee, who:

a. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/- (Rupees One Crore and Two Lakhs): **None**
b. If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- (Rupees Eight Lakh and Fifty Thousand) per month: **None**
c. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% (two percent) of the equity shares of the company: **None**

d. Names of the employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month: **None**

Name of the Employee	Designation	Remuneration (Gross p.a.)	Nature of employment	Qualifications and experience	Date of commencement of employment	Age	Last employment held	% Of Equity shares held	Relative of any director or manager
-	-	-	-	-	-	-	-	-	-

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Vishal Jaiswal
Wholetime Director
DIN: 01741062

Ajay Jaiswal
Managing Director
DIN: 01754887

ANNEXURE-C

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
SMT Engineering Limited

I, Ajay Jaiswal, Managing Director and Chief Financial Officer of the Company, do here by declare that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2026.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Ajay Jaiswal
Managing Director and CFO
DIN: 01754887

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SMT Engineering Limited,
Plot No 23 D Sector A Sanwer Road Industrial Area,
Industrial Estate Indore (M.P.) 452015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**M/s SMT Engineering Limited"** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of "**M/s SMT Engineering Limited**" books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2026, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. **We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s SMT Engineering Limited for the financial year ended on 31st March, 2026 according to the provisions of:**

   (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
      a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
      c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
      e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the review period**);
      g. The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021 (**Not applicable to the Company during the review period**);
      h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the review period**); and
      i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the review period**);

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

1. The listed entity has not been filed the annual financial results for year ended 31st March, 2025 within 60 days from the end of financial year. However the Company has filled the annual financial results on 16.06.2025 therefore 16 days delay in filing of Annual Financial Results of Financial Year ended 31st March, 2025 and also the company has paid amount of Rs. 88,500/-fine to the BSE.
2. The listed entity has to disclose related party transaction in the format as specified and within the prescribed timeline. The listed entity has disclose the details of Related Party Transactions on 14.11.2025 therefore delay of one day in filing details of Related Party Transactions for the half year ended 30th September, 2025 also the company has paid amount of Rs. 5,900/-fine to the BSE
3. As per Regulation 23(4) of Securities exchange board of India (Listing obligation and disclosure requirement) Regulation 2015 all material related party transactions shall require prior approval of the shareholders through resolution. The listed entity did not obtain prior approval of Shareholders for the material related party transactions.
4. The listed entity has to be provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. The Company did not reported loan taken by material subsidiary to stock exchange.

3. We further report that:

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

Adequate notice is given to all directors for the Board Meetings including agenda and detailed notes on agenda at least seven days in advance or with shorter period, wherever required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever exist.

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

For P.S. Tripathi & Associates
Company Secretaries

Place: Indore
Date: 03.09.2026
UDIN: F005812H001367634

Pratik Tripathi
Partner
C.P. No. 5358

Note:

A. *This report is to be read with Annexure to Secretarial Audit Report of even date which is annexed with this report and forms an integral part of this report.*

Annexure to Secretarial Audit Report

To,
The Members,
SMT Engineering Limited,
Indore (M.P.)

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

1. Maintenances of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Our report is based on said secretarial records.

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

4. The compliance of the provisions of corporate and other specifically applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. We have not gone through the laws which are general in nature and applicable to the Company.

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

6. Where ever required, we have obtained the management representation and declaration about the compliance of laws, rules and regulation and happening of events etc.

For P.S. Tripathi & Associates
Company Secretaries

Place: Indore
Date: 03.09.2026
UDIN: F005812H001367634

Pratik Tripathi
Partner
C.P. No. 5358

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
SAI MACHINE TOOLS PRIVATE LIMITED
(CIN: U28939MP1989PTC005207)
25-B, SECTOR A, SANWER ROAD, INDUSTRIAL AREA,
INDORE – 452015 (M.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **SAI MACHINE TOOLS PRIVATE LIMITED (hereinafter called 'the Company')**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made there under;

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

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the Company during the audit period)**;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:

  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the period under audit period);**

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the period under audit period);**

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable to the Company during the audit period);**

  d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the audit period);**

e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**;

f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**

g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**;

h) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period).**

vi) We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for the compliances under the following applicable Act (if applicable), Law & Regulations to the Company including but not limited to:

a) Code on Wages, 2019
b) Industrial Relations Code, 2020
c) Code on Social Security, 2020
d) Occupational Safety, Health and Working Conditions Code, 2020
e) Industries (Development & Regulation) Act, 1951
f) Acts prescribed under Prevention and Control of Pollution
g) Acts prescribed under Environmental Protection
h) Applicable Direct and Indirect Tax Laws.
i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
j) Prevention of Money Laundering Act, 2002

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings;

ii. The Listing Agreement entered into by the Company with Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015; **(Not applicable to the Company during the audit period);**

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

On the basis of information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of quarterly compliance reports by the respective department heads/ Company Secretary/CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

The compliance by the Company of applicable financial laws, like direct and indirect laws, and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

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

As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that during the Audit period, the Company had the following event which had a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, and standards.

1. During the period under audit, Mr. Rajendra Saxena and Ms. Varsha Ravindra Bhadoriya were appointed as the Independent Director of the Company with effect from 10th November 2025, in accordance with the applicable provisions of the Companies Act, 2013.

2. During the period under audit, the designation of Mr. Ajay Jaiswal was changed from Independent Director to Non-Executive Director (Promoter) with effect from 10th November 2025, in accordance with the applicable provisions of the Companies Act, 2013.

3. During the period under audit, the designation of Mr. Vishal Jaiswal was changed from Independent Director to Non-Executive Director (Promoter) with effect from 10th November 2025, in accordance with the applicable provisions of the Companies Act, 2013.

4. During the period under audit, the designation of Ms. Niharika Jaiswal was changed from Independent Director to Executive Director (Promoter) with effect from 10th November 2025, in accordance with the applicable provisions of the Companies Act, 2013.

5. During the period under audit, the designation of Ms. Sikha Jaiswal was changed from Independent Director to Executive Director (Promoter) with effect from 10th November 2025, in accordance with the applicable provisions of the Companies Act, 2013.

6. The Company has appointed Cost Auditor M/s. Yash & Associates for the financial year 2025-26 in terms of the provisions of Section 148 of the Companies Act, 2013. However, the Cost Records and Compliance Report as contemplated under Rule 5 of the Companies (Cost Records and Audit) Rules, 2014 has not been produced by the Company for verification to the Auditors of the Company as per the auditors' report for the year ending 31st March 2026.

Adequate notices were given to all directors of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

There are adequate system and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Archna Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Place: Indore
Date: 3rd September, 2026

Archna Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436H001362436

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

'Annexure A'

To,
The Members
SAI MACHINE TOOLS PRIVATE LIMITED
(CIN: U28939MP1989PTC005207)
25-B, SECTOR A, SANWER ROAD, INDUSTRIAL AREA,
INDORE, MADHYA PRADESH- 452015

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.

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

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

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.

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

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

For Archna Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Place: Indore
Date: 3rd September, 2026

Archna Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436H001362436

ANNEXURE – E

FORM AOC-1

Part A Subsidiaries

Statement containing salient features of the financial statements of subsidiaries / associate companies and Joint Ventures

(Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014)

(Amount in Lakh's except No. of share & % of Share Holding)

Name of the Subsidiary	Sai Machine Tools Limited	Chemerix Life Sciences Private Limited
The date since when subsidiary was acquired	26/03/2025	26/03/2025
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA
Share Capital (Rs.)	126.12	500.00
Reserves & Surplus	5,536.37	949.64
Total Assets	23,928.86	5,571.98
Total Liabilities	18,266.37	4,122.33
Investments	1,800.47	-
Turnover	16,223.85	-
Profit/ (Loss) before Taxation	3,513.13	(0.73)
Tax Expenses	1,235.67	0.88
Profit/ (Loss) after Taxation	2,277.46	(1.61)
Proposed Dividend	NA	NA
Percentage Shareholding	100%	100%

Other Information:

1. Names of subsidiaries which are yet to commence operations: Chemerix Life Sciences Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Part B: Associates/Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2O13 related to Associate Companies and Joint Ventures

(Amount in Lakh's except No. of share & % of Share Holding)

Name of Associates or Joint Ventures Associate Company	**None**
Latest audited Balance Sheet Date	
Date on which the associate or joint venture was associated or acquired	
Shares of Associate or Joint Ventures held by the company on the year end	
- No. of Shares	
- Amount of Investment in Associates or Joint Venture	
- Extend of Holding (in percentage)	
Description of how there is significant influence	
Reason why the associate/joint venture is not consolidated	
Net worth attributable to Shareholding as per latest audited Balance Sheet	
Profit for the year (including other comprehensive income)	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Other information:

1. Names of associates or joint ventures which are yet to commence operations - Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year — - Not Applicable

For Anil Kamal Garg & Company
Chartered Accountants
Firm Registration No. 004186C

For SMT Engineering Limited
(Formerly Adarsh Mercantile Limited)

Devendra Bansal
Partner
M.No. 078057

Vishal Jaiswal
Wholetime Director
DIN: 01741062

Ajay Jaiswal
Managing Director
DIN: 01754887

Place: Indore
Date: 03.09.2026

Mohd Shanawaz Shekh
Company Secretary & Compliance Officer

ANNEXURE-F

CERTIFICATE
[Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
SMT Engineering Limited

I, the undersigned, in my personal capacity as the Managing Director and Chief Financial Officer of SMT Engineering Limited ("the Company" do hereby certify, to the best of my knowledge and belief, that:

A. I have reviewed the Standalone and Consolidated Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2025-26 and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. No transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. I have indicated to the auditors and the Audit committee:

(1) significant changes in internal control over financial reporting during the year;
(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Ajay Jaiswal
Managing Director and CFO
DIN: 01754887

ANNEXURE-G

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI LODR,
the Certificate from Practicing Company Secretary on Corporate Governance)

Registration No. of the Company: 080093
Nominal Capital of the Company: Rs. 18,10,00,000

To,
The Members,
SMT Engineering Limited,
Plot No 23 D Sector A Sanwer Road Industrial Area
Industrial Estate Indore (M.P.) 452015

We have examined the compliance of conditions of Corporate Governance by **SMT Engineering Limited** ("the Company"), for the financial year ended on March 31, 2026 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

The Company was in non-compliance with the following provisions-

1. The Company was in non-compliance with the provisions of Regulation 23(9) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 pertaining to the filing details of Related Party Transactions half yearly basis. The non-compliance arose due to 1 day delay in filing details of Related Party Transactions for the half year ended 30th September, 2025 which was filled on 14.11.2025. Furthermore, the Company has duly paid the penalty imposed for the said non-compliance by BSE.

2. The Company was also in non-compliance with the provisions of Regulation 23(4) of Securities exchange board of India (Listing obligation and disclosure requirement) Regulation 2015 pertaining to that the all material related party transactions shall require prior approval of the shareholders through resolution. The listed entity did not obtain prior approval of Shareholders for the material related party transactions.

3. As per Regulation 23(4) of Securities exchange board of India (Listing obligation and disclosure requirement) Regulation 2015 all material related party transactions shall require prior approval of the shareholders through resolution. The listed entity did not obtain prior approval of Shareholders for the material related party transactions.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations except the above mentioned Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For P.S. Tripathi & Associates
Company Secretaries

Place: Indore | **Pratik Tripathi**
Date: 03.09.2026 | **Partner**
UDIN: F005812H001367513 | **C.P. No. 5358**

ANNEXURE-H

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To, The Members,
SMT Engineering Limited,
Plot No 23 D Sector A Sanwer Road
Industrial Area Indore (M.P.) 452015

On the basis of documents, registers and records maintained by the M/s SMT Engineering Limited, CIN - L33120MP1992PLC080093 (the Company) and the declaration given by each Directors for the year ended on 31st March, 2026 produced before us for our verification and explanations furnished to us by the company.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2026 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

S. No.	**Name of Directors**	**Designation**	**Date of Appointment**	**DIN**
1.	Mr. Ashok Jaiswal	Chairman & Director	07/03/2025	01590607
2.	Mr. Vishal Jaiswal	Whole-Time Director	07/03/2025	01741062
3.	Mr. Ajay Jaiswal	Managing Director	07/03/2025	01754887
4.	Mr. Abhishek Kanungo	Independent Director	01/10/2025	11259823
5.	Mr. Rajendra Saxena	Independent Director	01/10/2025	11259763
6.	Mrs. Varsha Ravindra Bhadoriya	Independent Director	01/10/2025	10292688

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For P.S. Tripathi & Associates
Company Secretaries

Place: Indore
Date: 03.09.2026
UDIN: F005812H001367403

Pratik Tripathi
Partner
C.P. No. 5358

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Pursuant to Regulation 34 read with Part B Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Dear Stakeholders,
SMT Engineering Limited
(Formerly Adarsh Mercantile Limited)

This Management Discussion and Analysis report has been prepared in compliance with the requirements of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and contains expectations and projections about the strategy for growth, product development, market position, expenditures and financial results. The Company's actual results, performance or achievements could differ from those projected in such forward-looking statements on the basis of any subsequent development, information or events for which the Company do not bear any responsibility.

a) Industry structure and developments

The Company was previously engaged primarily in trading activities within the Commodity and Capital Markets, sectors that are highly influenced by global economic conditions, regulatory policies, and market volatility. In recent years, these markets have experienced increased fluctuations due to geopolitical tensions, inflationary pressures, and shifts in monetary policy.

Recognizing the challenges and limited growth opportunities in the existing line of business, the Company undertook a strategic review of its operations. Pursuant to shareholder approval through a postal ballot on May 12, 2025, the Company amended its main object clause to diversify into manufacturing activities, specifically in the sectors of metal fabrications, machine tools, turbines, furnaces, castings, forgings, and steel-based components.

The new sectors present strong growth potential, supported by increasing infrastructure spending, industrial expansion, and policy support under initiatives like *Make in India* and the *National Steel Policy*. This transition positions the Company to participate in the evolving industrial manufacturing ecosystem, offering more stable and scalable growth avenues compared to the inherent volatility of trading-based operations.

b) Opportunities and threats/Risk and concerns:

Your Company's growth and profitability are closely linked to the performance of the Commodity and Capital Markets. Looking ahead, the Company anticipates a favorable market environment. To capitalize on emerging opportunities, the Company has strategically amended its main object, as detailed under the section "Segment-wise or Product-wise Performance," positioning itself to respond proactively to future developments.

c) Segment wise or product wise performance:

The Company was previously engaged primarily in the business of trading activities, there were no separate reportable segments. In view of the slackened economy there has been a substantial decline in the commodity trading.

During the financial year 2025-26, the members of the Company through postal ballot on May 12th, 2025, approved an amendment to the main object clause of the Memorandum of Association of the Company. Pursuant to this approval, the main objects of the Company have been revised as follows:

1. To carry on the business as manufacturers of metal fabrications machine tools, turbines, engines furnaces, accessories & fittings of any plant and machineries and also to manufacture, repair, develop, sell purchase of plants & machineries, fittings & accessories thereof.

2. To carry on the business as manufacturers of and dealers of forgings Castings and forged components and to instal steel scrap melting electric furnace and foundry equipments for making steel castings, grinding media, and ingots of ordinary carbon steel and alloy steel and to carry on the business or iron founders, from workers steel makers, steel founders, non-ferrous metal founders, furnace proprietors, and operaters, arc and metal workers, manufacturers of grinding medias, pipes and tubes, mill wrights, and steel converters and rerollers, smiths.

Your Directors are optimistic about the future growth prospects in the newly approved business sectors and believe that the strategic shift, as endorsed by the members, will enable the Company to explore new opportunities and enhance long-term value creation.

d) Outlook:

Your Company is making all efforts to accelerate the growth of its business. In spite of the market risk faced by your Company, your Directors are optimistic about the future prospects of the Company. The company is taking appropriate steps to keep the costs under control. The outlook for the current year remains positive.

e) Internal control systems and their adequacy:

Your company has an adequate system of internal control, which provides reasonable assurance with regard to safeguarding the company's assets, promoting operational efficiency and ensuring compliance with various statutory provisions. The Audit Committee of the Board plays a significant role in the internal control system and reviews the scope of internal audit work and internal audit reports, financial performance of the company and suggests improvements in the internal control systems wherever required.

f) Discussion on financial performance with respect to operational performance:

The discussions in this section relate to the consolidated financial results pertaining to the year that ended March 31, 2026. The financial statements of SMT Engineering Limited and its Subsidiaries/ Associate (collectively referred to as 'the Company') are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements.

The following table gives an overview of the consolidated financial results of the company:

(Amount in Lakhs)

Particulars	**FY 2025-26**		**FY 2024-25**	
	Amount	**% of Revenue**	**Amount**	**% of Revenue**
Revenue from operations	16,223.85	100	2,101.84	100
Earnings before interest, tax, depreciation and amortization (EBITDA)	3,561.30	21.95	265.62	12.64
Profit Before Tax (PBT)	3,561.30	21.95	270.24	12.86
Profit after tax attributable to shareholders of the company	2,288.26	14.01	295.62	14.06
Earnings per share	13.80	-	6.35	-

g) Developments in Human Resources

The Company believes that its human resources as core strength. While the technology and product is fairly standardized in the present scenario, the results achieved by the Company are related primarily to the talent, spirit, commitment and contribution of its employees at all levels. The Company consistently nurtures a transparent and empowered work environment, which fosters meritocracy and incentives employees for high levels of delivery.

h) Changes (Change of 25% Or More) in significant key financial ratios and return on net worth:

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with the detailed explanations thereof, are as follows:

S.No.	Particulars	March, 31, 2026	March 31, 2025	%Change in Ratio	Reason for Significant Change
1.	Inventory Turnover	-	2 ,109.42	(100)	There was no business activity, operations, or turnover during the current financial year.
2.	Operating / Net Profit Margin (%)	-	2.42	(100)	There was no business activity, operations, or turnover during the current financial year.
3.	Current Ratio	155.83	95.80	62.66	Primary due to more increase in Current Assets as compared to Increase in Current Liabilities as compared to Previous Year.
4.	Debt Equity Ratio	-	0.0018	(100)	Due to Repayment of Full Debt
5.	Debt Service Coverage Ratio	66.87	18.75	-	N.A.
6.	Return on Equity Ratio	0.67	0.57	17.07	N.A.
7.	Trade Receivables / Debtors Turnover ratio	-	6 .49	(100)	There was no business activity, operations, or turnover during the current financial year.
8.	Trade payables turnover ratio	-	200.73	(100)	There was no business activity, operations, or turnover during the current financial year.
9.	Net capital turnover ratio	-	0.26	(100)	There was no business activity, operations, or turnover during the current financial year.
10.	Return on Net Worth / Capital employed (%)	0.73	0.33	119.58	Primary due to more increase in Earning before Interest and Tax as compared to Increase in Capital Employed as compared to Previous Year.

i) Disclosure of Accounting Treatment:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other relevant provisions of the Companies Act, 2013, as applicable. The accounting policies have been consistently applied and are in line with those adopted in the previous financial year. There have been no deviations in the accounting treatment prescribed under the applicable Ind AS or any other regulatory requirements.

j) Cautionary statement:

Statement made in this section of the report is based on the prevailing position in the market conditions. Actual results could however differ materially from those expressed or implied with regard to Company's Outlook and Performance.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026	**Vishal Jaiswal**	**Ajay Jaiswal**
Place: Indore	**Wholetime Director**	**Managing Director**
	DIN: 01741062	**DIN: 01754887**

CORPORATE GOVERNANCE REPORT

(As required under Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein referred as "Listing Regulations")

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

SMT Engineering Limited (Formerly known as Adarsh Mercantile Limited) strives for excellence in corporate governance practices, which the Company recognizes is fundamental to securing the trust of investors and key stakeholders. The management, together with our Board of Directors, continually evaluates processes and implements procedures designed to maintain strong governance and operations standards. In doing so, we strive to manage the Company according to the highest principles of responsibility and integrity, compliance with all applicable laws with true letter and spirit and align the interests of management and the Board with those of our Stakeholder's. The Company is in full compliance with the requirements under SEBI (LODR) Regulations, 2015 and any amendment made thereunder, and the Listing Agreement entered with BSE Ltd. Our Corporate governance practices are illustrated as follows:

BOARD OF DIRECTORS:

The Company has an optimum combination of Executive and Non-Executive Directors.

Composition and Category of Directors as on March 31, 2026, is as follows:

S. No.	Name of Director	Designation / Category
1.	Mr. Ajay Jaiswal	Managing Director and CFO
2.	Mr. Vishal Jaiswal	Wholetime Director
3.	Mr. Ashok Jaiswal	Non-Executive, Non-Independent Director
4.	Mr. Abhishek Kanungo	Non-Executive, Independent Director
5.	Mr. Rajendra Saxena	Non-Executive, Independent Director
6.	Mrs. Varsha Ravindra Bhadoriya	Non-Executive, Independent Director
7.	Mr. Yogesh Arvindbhai Bhuva*	Non-Executive, Independent Director
8.	Mr. Deepak Vyas*	Non-Executive, Independent Director
9.	Ms. Mitwa Nayan Shah*	Non-Executive, Independent Director

During the year under review, the following Directors were appointed with effect from March 7, 2025, and their appointments were subsequently regularised by the members through a postal ballot on May 12, 2025.

1. Mr. Ashok Jaiswal as, Non-Executive, Non-Independent Director of the Company.
2. Mr. Ajay Jaiswal as the Managing Director & Chief Financial Officer of the Company for a tenure of three years, commencing from March 07th, 2025 to March 06th, 2028.
3. Mr. Vishal Jaiswal as a Wholetime Director of the Company for a tenure of three years, commencing from March 07th, 2025 to March 06th, 2028.
4. Mr. Yogesh Arvindbhai Bhuva as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.
5. Mr. Deepak Vyas as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.

6. Ms. Mitwa Nayan Shah as an Independent Director of the Company, for a term of five years commencing from March 07th, 2025 to March 06th, 2030.

During the year under review, Mr. Abhishek Kanungo, Mr. Rajendra Saxena and Mrs. Varsha Ravindra Bhadoriya was appointed as Non-Executive, Independent Director w.e.f. October 01, 2025.

*Further, the following Directors resigned during year under review:

1. Mr. Yogesh Arvindbhai Bhuva, Non-Executive, Independent Director, resigned from directorship, with effect from October 3, 2025.
2. Mr. Deepak Vyas, Non-Executive, Independent Director, resigned from directorship, with effect from October 3, 2025.
3. Ms. Mitwa Nayan Shah, Non-Executive, Independent Director, resigned from directorship, with effect from October 3, 2025.

The Board in consultation with Nomination and Remuneration Committee selects new Directors including Independent Directors. The Committee after considering qualifications, positive attributes, number of directorships and memberships held in various committees make recommendations for the selection of Directors. All independent directors possess the requisite qualifications and are very experienced in their own fields.

As per the current provisions of law, every Independent Director, at the first meeting of the Board where he participates as such as a director and thereafter at the first board meeting of every financial year, shall give a declaration of his independence as provided under law. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Board Meetings, Attendance at the Board Meetings and the last Annual General Meeting, Outside Directorships and other Board Committees:

None of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees {as specified in the Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}.

During the year, the Board met 12 (Twelve) times in a year on April 03, 2025, June 16, 2025, July 07, 2025, August 12, 2025, September 02, 2025, September 12, 2025, November 05, 2025, November 13, 2025, November 26, 2025, February 10, 2026, February 12, 2026 and February 25, 2026. Further. Attendances of Directors at the Board meeting was as follows:

Director	No. of Board meetings attended during the year	Attendance at previous AGM held on 30.09.2025	No. of other Directorship (s) held*	Number of membership/ Chairmanship in Committees**	Executive/ Non executive/ Independent	Number of Shares held as on 31.03.2026 ****
Mr. Ajay Jaiswal	12	Yes	Nil	Nil	Managing Director and CFO	36,01,492
Mr. Vishal Jaiswal	12	Yes	Nil	Nil	Wholetime Director	34,92,964
Mr. Ashok Jaiswal	12	Yes	Nil	Nil	Non-Executive, Non-Independent Director	28,39,541
Mr. Abhishek Kanungo	6	N.A.	Nil	2	Non-Executive, Independent Director	Nil

Mr. Rajendra Saxena	6	N.A.	Nil	3	Non-Executive, Independent Director	Nil
Mrs. Varsha Ravindra Bhadoriya	6	N.A.	Nil	3	Non-Executive, Independent Director	Nil
Mr. Yogesh Arvindbhai Bhuva	6	Yes	Nil	Nil	Non-Executive, Independent Director	Nil
Mr. Deepak Vyas	6	Yes	Nil	Nil	Non-Executive, Independent Director	Nil
Ms. Mitwa Nayan Shah	6	Yes	1***	2	Non-Executive, Independent Director	Nil

** Excluding Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013.*
*** Membership & Chairmanship of the Audit Committees & Stakeholders Relationship Committees are only considered in terms of Regulation 26(1)(b) of the Listing Regulations.*
****Ms. Mitwa Nayan Shah also holds a position as a Non-Executive, Independent Director on the Board of Moksh Ornaments Limited.*
*****During the year under review, the Company has not issued any convertible instruments/securities.*

Name of Director	SKILLS/EXPERTISE/COMPETENCE				
	Industry knowledge	**Accounts and Finance**	**Governance /Regulatory and Risk**	**Strategy/ Business Leadership**	**Human Resources**
Mr. Ajay Jaiswal	✓	✓	✓	✓	✓
Mr. Vishal Jaiswal	✓	✓	✓	✓	✓
Mr. Ashok Jaiswal	✓	✓	✓	✓	✓
Mr. Abhishek Kanungo	✓	✓	✓	✓	✓
Mr. Rajendra Saxena	✓	✓	✓	✓	✓
Mrs. Varsha Ravindra	✓	✓	✓	✓	✓
Mr. Yogesh Arvindbhai Bhuva*	✓	✓	✓	✓	✓
Mr. Deepak Vyas*	✓	✓	✓	✓	✓
Ms. Mitwa Nayan Shah*	✓	✓	✓	✓	✓

**Mr. Yogesh Arvindbhai Bhuva, Mr. Deepak Vyas and Ms. Mitwa Nayan Shah ceased to be director with effect from October 3, 2025.*

Familiarization program for Directors

All new Non-Executive Independent Directors induced to the Board are being exposed to the familiarization program to understand their role and responsibilities in clear terms and thus to discharge their duties and responsibility in an efficient manner. The familiarization program can be accessed on the company's website at https://smtel.in/investor-relation/

Also, the policy of separate meetings of independent directors also helps in achieving the goal of updating them with all recent business-related issues whereby the other executive directors throw light on relevant issues by sharing their views, opinions and expertise on those issues.

Performance Evaluation Criteria for Independent Directors:

Pursuant to the governing provisions of the Companies Act, 2013, the Listing Regulations and Guidance Note on Board evaluation issued by SEBI, a formal annual evaluation was carried out by the Board of its own performance, its committees and individual Directors including Independent Directors. During the year under review, Independent Directors met on March 24, 2026, without presence of non-independent directors and members of the management, wherein the performance of non-independent directors and the Board of Directors, as a whole were evaluated. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Performance of Independent Director is evaluated on the basis of ranking filled in the evaluation questionnaire by the non-executive director which is prepared by inserting parameters mentioned below:

1. Knowledge and competency of Independent Directors;
2. Extent of fulfillment of functions assigned;
3. Ability to function as a team;
4. Availability for various committee and board meeting;
5. Various skills viz. leadership, commitment, contribution, integrity, initiative taken by them;
6. Formulation and effective execution of business strategy;
7. Financial planning and performance during the year;
8. Relationship of Independent Directors with the Board and third parties;
9. Knowledge about the company and its succession plan, management and operations;
10. Personal qualities of Independent Directors which uplifts the growth of the Company.

Number of Board Meetings held and the date on which held

Generally, the Board meets once every quarter to discuss the quarterly results and other relevant items and also at the time of AGM of the shareholders. Additional Board meetings are convened as per the exigencies/urgencies of business situations.

12 (Twelve) Board meetings were held during the year ended March 31, 2026, which were held on the below mentioned dates: April 03, 2025, June 16, 2025, July 07, 2025, August 12, 2025, September 02, 2025, September 12, 2025, November 05, 2025, November 13, 2025, November 26, 2025, February 10, 2026, February 12, 2026 and February 25, 2026.

The Board has unrestricted access to the company related information and the items / matters which are generally placed before the Board include:

- Quarterly results of the company.
- Company's Annual Financial results, Financial Statements, Report of Board and Auditors.
- Minutes of the meeting of Audit Committee and other committees of the Board.
- Appointment, remuneration and resignation of Directors.
- Disclosures of Director's interest and their shareholding.
- Appointment/ removal of KMPs, Internal and Secretarial Auditor.
- Declaration of Independent Directors at the time of appointment/ on annual basis.
- Significant changes in accounting policies and internal controls.
- Statement of significant related party transactions.
- Borrowing of monies, giving guarantees or providing security.
- Compliance Certificate(s).

The Chairman/Company Secretary of the Company provides that while preparing the agenda items and minutes of the Board meeting, all the relevant provisions of the Companies Act, 2013 are being complied. The agenda of the meeting along with the notice are circulated in advance to all the Directors for facilitating meaningful and focused discussion on the agenda items.

COMMITTEES OF THE BOARD AND ITS COMPOSITION

Committees of the Board play a crucial role in enforcing the corporate governance policies in the Company. The Board Committees are set up under the approval of the Board of Directors and their terms are being decided by the Board as per the requirements of the Act and Listing Regulations. The Board has established the following committees for their effective functioning:

S.No.	Name of Directors	Audit Committee	Nomination and Remuneration Committee	Stakeholder Relationship Committee
1.	Mr. Abhishek Kanungo	Chairman	Chairman	Chairman
2.	Mr. Rajendra Saxena	Member	Member	Member
3.	Mrs. Varsha Ravindra Bhadoriya	Member	Member	Member
4.	Mr. Yogesh Arvindbhai Bhuva*	Chairman	Chairman	Chairman
5.	Mr. Deepak Vyas*	Member	Member	Member
6.	Ms. Mitwa Nayan Shah*	Member	Member	Member

Note: Mr. Abhishek Kanungo, Mr. Rajendra Saxena and Mrs. Varsha Ravindra Bhadoriya was appointed as Non-Executive, Independent Director w.e.f. October 01, 2025.

**Mr. Yogesh Arvindbhai Bhuva, Mr. Deepak Vyas and Ms. Mitwa Nayan Shah ceased to be director with effect from October 3, 2025.*

AUDIT COMMITTEE:

The broad terms of reference of the Audit Committee are to interact with the Internal and Statutory Auditors, overseeing the Company's financial reporting process and to review with the management the annual financial statements before submitting to the Board and includes:

1. Appointment and fixation of remuneration payable to Auditors.
2. Review Quarterly, half yearly and annual financial results before submission to the Board.
3. Review accounting policies followed by the Company.
4. The adequacy and effectiveness of internal control system and procedures in the Company.

The Audit Committee's constitution and terms of reference are in consonance with the provisions of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee have relevant working experience in financial matters. The Company Secretary of the Company acts as the Secretary to the Committee.

Brief description of terms of reference:

The Audit Committee of the Company's is entrusted with the primary responsibility to supervise the company's financial reporting process including:

(1) Oversight of the Company financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of

judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial

statements;

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

All recommendations made by the Committee during the year were accepted by the Board.

Composition, Meetings and Attendance of the meetings of the Audit Committee:

During the year under review, the Audit Committee met 9 (nine) times on the following dates: April 03, 2025; June 16, 2025; July 07, 2025; August 12, 2025; September 02, 2025; November 13, 2025; November 26, 2025; February 12, 2026 and February 25, 2026. All meetings were held with the requisite quorum being present. The attendance of each member at these meetings was as under:

S.No.	Name of the Members	Status	No. of meeting(s) held	No. of Meeting attended
1.	Mr. Abhishek Kanungo	Chairperson & Non-Executive Independent Director	4	4
2.	Mr. Rajendra Saxena	Member & Non-Executive Director	4	4
3.	Mrs. Varsha Ravindra Bhadoriya	Member & Non-Executive Independent Director	4	4
4.	Mr. Yogesh Arvindbhai Bhuva	Chairperson & Non-Executive Independent Director	5	5
5.	Mr. Deepak Vyas	Member & Non-Executive Independent Director	5	5
6.	Ms. Mitwa Nayan Shah	Member & Non-Executive Independent Director	5	5

NOMINATION & REMUNERATION COMMITTEE:

The terms of reference of the Nomination & Remuneration Committee satisfy the requirement of Section 178 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief description of terms of reference:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

b. Formulation of criteria for evaluation of performance of independent directors and the Board.

c. Devising a policy on diversity of the Board.

d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.

e. Extension or continuance of the terms of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors.

f. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director’s performance (including that of independent directors).

g. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 or by any other applicable law or regulatory authority.

Composition, Meetings and Attendance of the meetings of the Nomination & Remuneration Committee:

During the year under review, the Nomination & Remuneration Committee met 2 (two) times on the following dates: April 03, 2025 and September 02, 2025. All meetings were held with the requisite quorum being present. The attendance of each member at these meetings was as under:

S.No.	Name of the Members	Status	No. of meeting(s) held	No. of Meeting attended
1.	Mr. Abhishek Kanungo	Chairperson & Non-Executive Independent Director	N.A.	N.A.
2.	Mr. Rajendra Saxena	Member & Non-Executive Director	N.A.	N.A.
3.	Mrs. Varsha Ravindra Bhadoriya	Member & Non-Executive Independent Director	N.A.	N.A.
4.	Mr. Yogesh Arvindbhai Bhuva	Chairperson & Non-Executive Independent Director	2	2
5.	Mr. Deepak Vyas	Member & Non-Executive Independent Director	2	2
6.	Ms. Mitwa Nayan Shah	Member & Non-Executive Independent Director	2	2

Remuneration paid to non-executive directors:

Mr. Abhishek Kanungo, Mr. Rajendra, Mrs. Varsha Ravindra Bhadoriya and Mr. Ashok Jaiswal, Non-Executive Directors of the Company have voluntarily waived their entitlement to sitting fees for attending Board and Committee meetings during the financial year 2025-26.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee's composition and terms of reference are in consonance with the requirements of section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Stakeholders Relationship Committee shall include the following:

a. Monitoring the grievance and redressal of all security holders' grievances such as complaints related to non-receipt of allotment/refund, review of cases for refusal of transfer/transmission of shares, including non-receipt of share certificates, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints.

b. Allotting of equity shares, giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, splitting and issuing of duplicate/consolidated share certificates, complying with all the requirements related to shares, debentures and other securities from time to time.

c. Reviewing statutory compliances pertaining to share/ security capital, processes, shareholders and depositories.

d. Oversee the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services.

e. Review of measures taken for effective exercise of voting rights by shareholders.

f. Review of the adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.

g. Review of the various measured and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

h. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

The Committee expressed satisfaction on Company's performance for redressing the investor's complaints received during the year. All complaints received from shareholders during the year have been readdressed. No shareholders complaints were pending as on 31.03.2026.

Composition, Meetings and attendance of the Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee was constituted with the following members in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, 5 (five) meetings of the Stakeholders' Relationship Committee were held on April 03, 2025; June 16, 2025; August 12, 2025; November 13, 2025 and February 12, 2026. All meetings were conducted with the requisite quorum being present. The attendance of each member at these meetings was as under:

S.No.	**Name of the Members**	**Status**	**No. of meeting(s) held**	**No. of Meeting attended**
1.	Mr. Abhishek Kanungo	Chairperson & Non-Executive Independent Director	2	2
2.	Mr. Rajendra Saxena	Member & Non-Executive Director	2	2
3.	Mrs. Varsha Ravindra Bhadoriya	Member & Non-Executive Independent Director	2	2
4.	Mr. Yogesh Arvindbhai Bhuva	Chairperson & Non-Executive Independent Director	3	3
5.	Mr. Deepak Vyas	Member & Non-Executive Independent Director	3	3
6.	Ms. Mitwa Nayan Shah	Member & Non-Executive Independent Director	3	3

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

Mr. Mohd Shanawaz Shekh
Company Secretary and Compliance Officer
SMT Engineering Limited
Plot No. 23 D Sector A Sanwer Road Industrial Area,
Near Parle G Biscuit Factory, Indore 452015 Madhya Pradesh, India
compliance@saimachinetools.com
Contact Details: +91 91091 69673

DETAILS OF SHAREHOLDERS COMPLAINS:

S. No.	Particulars	No. of Complaint received	No. of complaint resolved	No. of complaint Pending
1	On receipt of shares lodged for transfer	Nil	Nil	Nil
2	Other (non-receipt of Annual Report etc.)	Nil	Nil	Nil

SHARE TRANSFER/ TRANSMISSION COMMITTEE:

The Share Transfer / Transmission Committee is formed as per the requirement of relevant rules exclusively to look into share transfer and related applications received from shareholders, with a view to accelerating the transfer procedures.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

The Company has established a well-defined vigil mechanism for addressing the grievances/unethical behavior by the employees and also to report prima facie violations of applicable laws. The aggrieved employee has direct access to the Chairman of the Audit Committee.

CODE OF CONDUCT FOR THE BOARD MEMBERS & SENIOR MANAGEMENT TEAM:

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013, the board has framed Code of Conduct for all Board Members and senior management Team. All Board members and senior management have affirmed compliance with the Code as on March 31, 2026 and declaration to that effect, signed by the Chief Financial officer. The Code of Conduct is also available on the Company's website https://smtel.in/investor-relation/.

GENERAL BODY MEETINGS:

The details of the last three Annual General meeting:

Year	Date & Time	Venue	Whether Special Resolution(s) Passed
2024-25	30 September, 2025 12:30 P.M.	Plot No 23 D Sector A Sanwer Road Industrial Area, Near Parle G Biscuit Factory, Industrial Estate. Indore, Madhya Pradesh, India,452015	1. To approved the appointment of Mr. Abhishek Kanungo as Non-Executive Independent Director. 2. To approved the appointment of Mr. Rajendra Saxena as Non-Executive Independent Director. 3. To approved the appointment of Mrs. Varsha Ravindra Bhadoriya as Non-Executive Independent Director.
2023-24	16 September, 2024 12:30 P.M	8A & 8B, Satyam Towers 3, Alipore Road Kolkata-700027	Re-Appointment of Mrs. Suchita Chhawchharia (Din: 00044063) as an Executive Director.
2022-23	14 September, 2023 02:30 P.M	8A & 8B, Satyam Towers 3, Alipore Road Kolkata-700027	No

During the year under review, the Company has sought approval of members through postal ballot/remote e-voting, the details of the same are given below:

I. Postal ballot at the Extra-Ordinary General Meeting held on January 06, 2026:

Items of special Business;

A. Details of Voting:

1. Increase in Authorised Share Capital of the Company (Ordinary Resolution);

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	18	1,40,37,863	18	1,40,37,863	100	0	0	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	18	1,40,37,863	18	1,40,37,863	100	0	0	0

2. To consider and approve issue of equity shares on preferential basis to the non-promoters for consideration in cash (Special Resolution);

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	18	1,40,37,863	18	1,40,37,863	100	0	0	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	18	1,40,37,863	18	1,40,37,863	100	0	0	0

1. Details of Scrutinizer: Nikhil Dhanotiya & Associates.
2. Date of Scrutinizer's report: January 06, 2026.
3. Date of passing the resolution: January 06, 2026.

II. Postal ballot at the Annual General Meeting held on September 30, 2025:

<u>Items of special Business;</u>

B. Details of Voting:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the company for the year ended 31st March, 2025 together with the reports of the board of Directors and Auditors thereon – Ordinary Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the company for the year ended 31st March, 2025 together with the reports of the board of Directors and Auditors thereon – Ordinary Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

3. To appoint a Director in place of Mr. Ajay Jaiswal (DIN: 01754887), who Retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment – Ordinary Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	27	16,80,345	26	16,80,343	99.9999	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	27	16,80,345	26	16,80,343	99.9999	1	2	0

4. To appoint M/s Anil Kamal Garg & Company, Chartered Accountants (Firm Registration No. 004186C) as statutory auditor of the company-Ordinary Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

5. To appoint M/s P.S. Tripathi & Associates, Practicing Company Secretaries as Secretarial Auditor of the company-Ordinary Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

6. To approve the appointment of Mr. Abhishek Kanungo (DIN: 11259823) as a Non-Executive Independent Director of the Company -Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

7. To approve the appointment of Mr. Rajendra Saxena (DIN: 11259763) as a Non-Executive Independent Director of the Company -Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

8. To approve the appointment of Mrs. Varsha Ravindra Bhadoriya (DIN: 10292688) as a Non-Executive Independent Director of the Company -Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	33	1,38,67,069	32	1,38,67,067	100	1	2	0
Postal Ballot	-	-	-	-	-	-	-	-
Total	33	1,38,67,069	32	1,38,67,067	100	1	2	0

4. Details of Scrutinizer: Soumya Bumb & Associates.
5. Date of Scrutinizer’s report: October 01, 2025.
6. Date of passing the resolution: September 30, 2025.

III. Postal ballot at the Extra-Ordinary General Meeting held on May 12, 2025:

Items of special Business;

A. Details of Voting:

1. Appointment of Mr. Ajay Jaiswal (DIN: 01754887) as Managing Director – Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	24	35,50,175	99.99	1	1	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	24	35,50,175	99.99	1	1	0.0001

2. Appointment of Mr. Vishal Jaiswal (DIN: 01741062) as Whole Time Director – Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

3. Appointment of Mr. Ashok Jaiswal (DIN: 01590607) as Additional Non-Executive Non-Independent Director and Chairperson of the company– Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

4. Appointment of Mr. Yogesh Arvindbhai Bhuva (DIN: 09293985) as Additional Non-Executive Independent Director and Chairperson of the company– Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

5. Appointment of Mr. Deepak Vyas (DIN: 10988670) as Additional Non-Executive Independent Director and Chairperson of the company– Special Resolution;

Mode of	Total Valid Votes	Votes in favour	Votes against

Voting	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

6. Appointment of Ms. Mitwa Nayan Shah Vyas (DIN: 08869161) as Additional Non-Executive Independent Women Director of the company– Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

7. Alteration of object clause of Memorandum of Association of the company– Special Resolution;

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

8. Alteration of Memorandum of Association

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

9. Change in name of the company

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

e-voting								
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

10. Increase in borrowing limits of the company

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

11. Power to create charge on the assets of the company to secure borrowings pursuant to Section 180(1)(a) of the Companies Act, 2013

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

12. Increase in limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to persons/ body corporate

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	23	35,50,174	99.99	2	2	0.0001
Postal Ballot	-	-	-	-	-	-	-	-
Total	25	35,50,176	23	35,50,174	99.99	2	2	0.0001

13. Shifting of registered office from the state of West Bengal to state of Madhya Pradesh

Mode of Voting	Total Valid Votes		Votes in favour			Votes against		
	Voters	No. of Votes	Voters	No. of Votes	Voting Percentage	Voters	No. of Votes	Voting Percentage
Remote e-voting	25	35,50,176	17	35,50,166	99.97	8	10	0.0003
Postal Ballot	-	-	-	-	-	-	-	-

Total	25	35,50,176	17	35,50,166	99.97	8	10	0.0003

B. Details of Scrutinizer: CS Nuren Lodaya and Associates.

C. Date of Scrutinizer's report: May 14, 2025.

D. Date of passing the resolution: April 03, 2025.

DISCLOSURES

The related party transactions have been disclosed in Notes of Account forming part of the Statement of Accounts for the financial year ended 31st March, 2026 and since the necessary disclosures were made in respect of the said transactions to the respective Boards of Directors, no transaction is considered to be in potential conflict with the interests of the company at large. The policy on for determining 'material' subsidiaries is disclosed on the website of the Company at https://smtel.in/investor-relation/.

The Non-Executive Directors had no pecuniary relationships or transactions vis-à-vis the company during the year except receipt of sitting fee for attending the meetings of the Board/Committee. Further, Mr. Ashok Jaiswal, Non-Executive and Non-Independent Director of the Company, is the father of Mr. Ajay Jaiswal and Mr. Vishal Jaiswal, who are also Directors on the Board of the Company.

There has not been any non-compliance, penalties or structures imposed on the company by the Stock Exchange (s), Securities and Exchange Board of India or any other statutory authority, on any matter relating to the capital markets, during the last three years. However, during the Financial Year 2025-26 the BSE Limited levied fine of Rs. 88500 (including GST) for delay in Filing of Annual Financial Results of Financial Year Ended 31st March, 2025.

Further, the BSE Limited levied fine of Rs. 5900 (including GST) for delay in Filing of Related Party Transactions for the half year ended 30th September, 2025. Furthermore, the material subsidiary, Sai Machine Tools Private Limited entered into Related Party Transactions without the prior approval of shareholders of the Company. In addition, the Company failed to make the requisite disclosure to BSE Limited regarding loans availed by its subsidiary under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DETAILS OF MATERIAL SUBSIDIARIES:

M/s Sai Machine Tools Private Limited became a wholly-owned subsidiary of the Company with effect from March 26, 2025. Pursuant to applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said subsidiary qualifies as a Material Subsidiary of the Company.

In compliance with the aforesaid regulation, the Secretarial Audit Report of M/s Sai Machine Tools Private Limited is annexed with the Board Report as "Annexure – D".

The policy for determining material subsidiaries is disclosed on the website of the Company at https://smtel.in/investor-relation/.

Details of utilization of funds raised through preferential allotment:

A preferential allotment was made to non-promoter investors for 15,50,000 (Fifteen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each at an issue price of Rs. 225/- (Rupees Two Hundred and Twenty-five only) per share. The allotment was made for consideration in cash.

The amount has been utilized by the Company as follows:

A. Utilised for object: 13,36,50,000
B. Utilized for other than object: 3,05,00,000
C. Unutilized (Fixed Deposit) : 18,46,00,000
Total : 34,87,50,000.

Note: The amount utilised for purposes other than the objects of the Issue is within the permissible limit prescribed under BSE Circular No. 20221213-47 dated December 13, 2022, which permits deviation of up to 10% of the total Issue size from the amount specified for the objects of the Issue.

COMMUNICATION TO THE SHAREHOLDERS

The Company follows the practice of disseminating timely information on financial performance and other relevant information to the stakeholders and to all Stock Exchanges where the shares of the Company are listed. The quarterly/annual financial results of the Company were generally published in the following newspapers: The Financial Express and Hamara Swaraj and displayed on the Company's website.

The Company also maintains its official website www.smtel.in wherein it maintains a separate and dedicated section called "Investor Relations" wherein it provides all the requisite information pertaining to shareholders.

Annual Reports in the downloadable format are also being provided for on the website and also regularly sent to the shareholders by-mail, whose e-mail address are available with the Registrar & Transfer Agent and with the company, further the physical copies had been sent by Registered post/Speed Post/Courier to the shareholders.

Moreover, the Quarterly, Half-yearly and Annual Results and other BSE Filings are also available on the BSE website, www.bseindia.com in an electronic website, which can be accessed by providing the Scrip Code- 538563 and can be downloaded.

The Company keeps regular track of the complaints of the investors through a user-friendly web based redressal forum-SCORES and resolve complaints in the form of Action Taken Reports (ATRs) which can also be viewed by the complainant shareholder as well as the concerned Stock Exchange.

The quarterly financial results for the financial year 2025-26 have been duly published.

Official news releases and notices etc. are sent to the BSE Limited via BSE Listing Centre Portal where shares of the company are listed.

GENERAL SHAREHOLDERS INFORMATION:

(a) Company Registration Details

The Company is registered in the State of Madhya Pradesh with Corporate Identity No. (CIN) L33120MP1992PLC080093.

(b) Annual General Meeting:

Date and time: 30th September, 2026 at 12:30 P.M to be held through Video Conferencing (VC).

(c) Financial Calendar (tentative and subject to change)

S. No.	Particulars	Information
1.	Annual General Meeting- Date & Time	30.09.2026, 12:30 P.M.

2.	**Financial Year**	**01st April 2025 to 31st March 2026**
3.	**Financial Calendar**	**2025-26**
4.	**Book Closure Date**	**24.09.2026 to 30.09.2026**
5.	**Dividend Payment date**	**The Company has not recommended or paid any dividend during the financial year under review**
6.	**Stock Code**	**BSE 538563**

(d) Listing of Equity Shares: Bombay Stock Exchange (BSE)
Phiroze Jeejebhoy Towers, Dalal Steet, Mumbai-400 001

The Company has paid the Annual Listing fees for the Financial Year 2025-26.

(e) Stock Market Data:

Bombay Stock Exchange (BSE)

BSE Quote : (SMTEL) – 538563

Month F.Y. 2025-2026	High Price	Low Price
Apr 25	11.83	10.74
May 25	14.37	12.42
Jun 25	19.23	15.08
Jul 25	27.85	20.19
Aug 25	40.45	28.40
Sep 25	61.17	41.25
Oct 25	90.81	62.39
Nov 25	132.18	92.62
Dec 25	195.75	134.80
Jan 26	290.35	199.65
Feb 26	422.55	296.15
Mar 26	485.20	406.90

(f) Status of dematerialization as on 31.03.2026

Particulars	**No. of shares**	**% of capital**
NSDL	88,64,750	49.06%
CDSL	92,05,150	50.94%
Total Dematerialized	**1,80,69,900**	**100%**
PHYSICAL	100	0%
TOTAL	**1,80,70,000**	**100%**

(g) Registrar & Share Transfer Agent and Communication Address:

Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 71, B. R. B. B. Road, 5th Floor, Kolkata, West Bengal,700001

Share Transfer System:
The Board has delegated authority for approving transfer, transmission etc. of shares to the Stakeholder's Relationship Committee, who will approve the relevant transfers after being reviewed and approved by the Company Secretary, and the same will be forwarded to the Registrar & Share Transfer Agent. The decisions of the committee will be considered in the Board Meeting**.**

(h) Shareholding pattern as on 31.03.2026

Sl. No.	Category	No. of shares	Percentage
1	Promoters	1,21,86,724	67.44
2	Indian Financial Institutions, Banks, Mutual Funds Foreign Institutional Investors/ NRIs	-	-
3	Public	58,83,276	32.56
	Total	1,80,70,000	100.00

(ii) Distribution on shareholding as on 31.03.2026

Shares holding of nominal value of Rs.10	No. of Shareholders	% of shareholders	No. of Equity shares	% of shareholding
1 - 500	560	88.3281	15,882	0.0879
501-1000	4	0.6309	2,765	0.0153
1001-5000	9	1.4196	18,480	0.1023
5001-10000	1	0.1577	10,000	0.0553
10001-50000	29	4.5741	7,95,163	4.4005
50001-100000	4	0.6309	3,37,000	1.8650
100001 & Above	27	4.2587	1,68,90,710	93.4738
Total	**634**	**100**	**1,80,70,000**	**100**

Address for Correspondence:
Plot No. 23 D Sector A Sanwer Road Industrial Area, Near Parle G Biscuit Factory, Indore 452015 Madhya Pradesh, India.

Certificate from a Company Secretary in Practice of non-disqualification of Directors:

Certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, forms part of the Board Report as "Annexure – H".

The above report was adopted by the Board of Directors at their meeting held on 03.09.2026.

For SMT Engineering Limited
(Formerly known as Adarsh Mercantile Limited)

Date: 03.09.2026
Place: Indore

Vishal Jaiswal
Wholetime Director
DIN: 01741062

Ajay Jaiswal
Managing Director
DIN: 01754887

INDEPENDENT AUDITORS' REPORT

To,
The Members,
SMT ENGINEERING LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **SMT ENGINEERING LIMITED** ("the Company"), which comprises the Standalone Balance Sheet as at March 31st, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2026, and its *Profit* and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Contd…2

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Contd…3

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

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

  Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in place and the operating effectiveness of such controls.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone financial statements made by the Management and Board of Directors.

  Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

  Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Contd…4

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

Report on Other Legal and Regulatory Requirements

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31st , 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2026 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 Auditors' 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:

Contd…5

(i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note- 22 to the standalone financial statements.

(ii) The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

Contd…6

(v) The Company has not declared or paid any dividend during the year.

(vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31st, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, on test check basis, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per statutory requirements for record retention.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : May 29th , 2026

(Devendra Bansal)
Partner
Membership No. : 078057
ICAI UDIN : 26078057KRNLAZ7219

ANNEXURE–A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1, under *'Report on Other Legal and Regulatory Requirements'* section of the Independent Auditors' Report of even date to the members of **SMT Engineering Limited** on the standalone financial statements as of and for the year ended March 31st, 2026, we report that-

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during financial year 2025-26. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) recorded in the books of accounts of the Company 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 records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

(ii)(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and the coverage and procedure of such verification by the management is appropriate in relation to the size of the Company and the nature of its business. It has been explained to us that the discrepancies noticed on physical verification of inventory as compared to books and records were not more than 10% in the aggregate for each class of inventory and the variation has been appropriately dealt with in the books of accounts.

Contd…2

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company had made investments in its wholly-owned subsidiary company namely 'Sai Machine Tools Private Limited'. Further, the company has also provided Guarantees in favour of 'Sai Machine Tools Private Limited' (Wholly owned subsidiary company) and Chemerix Life Sciences Pvt. Ltd. (Step-down Subsidiary). The Company has also granted unsecured loans in the nature of loans and advances to its Wholly owned subsidiary company, in respect of which requisite information is given below.

(a) (i) Based on the audit procedure carried on by us and as per the information and explanation given to us, the details of loans and Guarantees provided by the Company to other companies and parties, are given herewith in a tabular form, as under :

[Rs. in Lakhs]

Particulars	Subsidiary (i)	Joint Venture (ii)	Associate (iii)	Others (iv)	Total [(v) = (i) to (iv)]
A) <u>LOANS GIVEN</u>					
Aggregate amount of loan advanced during the year ended 31st March, 2026	4300.57	Nil	Nil	Nil	4300.57
Balance Outstanding as at Balance Sheet date i.e. 31st March, 2026	6476.77	Nil	Nil	Nil	6476.77
B) <u>GUARANTEES GIVEN</u>					
Aggregate amount of guarantees given during the year ended 31st March, 2026	10003.00	Nil	Nil	Nil	10003.00
Balance Outstanding as at Balance Sheet date i.e. 31st March, 2026	10003.00	Nil	Nil	Nil	10003.00

Contd…3

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of secured and unsecured loans are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the loan has been granted without any security and without stipulating any schedule of repayment of principal and interest. As the loan is repayable on Demand along with interest, the question as to regularity of the repayment or interest receipts does not arise.

(d) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, there being no stipulated schedule of repayment and the Company having not demanded the repayment of loan, the loan so granted has not become overdue.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.

(f) According to information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has granted loans to its related parties, without any security, repayable on demand and which does not specify any terms and period of repayment, the details of which are mentioned below :

[Rs.in Lakhs]

Particulars	All Parties [(i) + (ii) + (iii)]	Promoters (i)	Related Parties (ii)	Others (iii)
(a) Aggregate of total loans/advances in nature of loan	4300.57	-	4300.57	-
(b) Out of total loans and advances, repayable on demand / agreement does not specify any terms or period of repayment	4300.57	-	4300.57	-
Percentage of loans/ advances in nature of loan to the total loans [b/a*100]	100%	-	100%	-

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of the guarantees given, investments made and loans given by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.

Contd…4

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of section 73 to 76 and other relevant provisions of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) As per information and explanations given to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business of the Company.

(vii)(a) According to the information and explanations given to us and on the basis of examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were in arrears as on 31st March, 2026 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 material dues of goods and services tax, provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, which have not been deposited with the appropriate authorities on account of any dispute.

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

(ix)(a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

Contd…5

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared as Wilful Defaulter by any bank or financial institution or other lender.

(c) In our opinion, and according to the information and explanations given to us, the company has not taken any term loan.

(d) According to the records of the Company examined by us and the information and explanation given to us, the company has not raised any fund on short-term basis.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that 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.

(g) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) *In our opinion, and according to the information and explanation given to us, the Company has utilized funds raised by the way of preferential allotment of shares for the purposes for which they were raised, except for the following :*

Nature of securities	*Purpose for which funds were raised*	*Total amount raised*	*Amount utilized for the other purpose*	*Unutilized Balance as at the Balance Sheet date*	*Remarks (if any)*
Equity Shares	*Setting up of new manufacturing units and procurement of plant and machineries in Sai Machine Tools Pvt. Ltd., Chemerix Life Sciences Pvt. Ltd. and other General corporate purposes*	*Rs. 34,87,50,000/-*	*Rs. 3,05,00,000/-*	*Rs. 18,46,00,000/-*	*Unutilized amount laying in Fixed deposit with Scheduled Banks.*

(xi)(a)During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

Contd…6

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As per the information and explanation given by the management there was no whistle blower complaints received by the company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been broadly considered by us.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

Contd…7

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There are no unspent amounts towards Corporate Social Responsibility requiring a transfer to a fund specified in Schedule VII to the Act in compliance with the second proviso to Sub-section (5) of the Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : May 29th, 2026

(Devendra Bansal)
Partner
Membership No. : 078057
ICAI UDIN : 26078057KRNLAZ7219

ANNEXURE–B TO THE INDEPENDENT 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")

Referred to in Paragraph 2(f), under *'Report on Other Legal and Regulatory Requirements'* section of the Independent Auditors' Report of even date to the members of **SMT Engineering Limited** on the standalone financial statements as of and for the year ended March 31st, 2026, we report that:

We have audited the internal financial controls with reference to financial statements of **SMT Engineering Limited** ("the Company") as of 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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 with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : May 29th, 2026

(Devendra Bansal)
Partner
Membership No. : 078057
ICAI UDIN : 26078057KRNLAZ7219

Standalone Balance Sheet as at 31st March, 2026

[Amount in Lakhs]

Particulars			Note No.	As at 31st March, 2026	As at 31st March, 2025
A.	ASSETS				
(1)	NON-CURRENT ASSETS				
	(a) Property, Plant and Equipment			-	-
	(b) Capital Work-In-Progress			-	-
	(c) Right-of-Use Assets			-	-
	(d) Deferred Tax Assets/(Liabilities) (Net)			-	-
	(e) Financial Assets				
	(i) Investments		2	2,744.60	2,744.60
	TOTAL NON-CURRENT ASSETS	(1)		**2,744.60**	**2,744.60**
(2)	CURRENT ASSETS				
	(a) Financial Assets				
	(i) Cash and Cash Equivalents		3	0.50	681.16
	(ii) Loans & Advances		4	6,476.78	2,267.02
	(b) Other Current Assets		5	13.08	-
	(c) Current Tax Assets (Net)		6	2.27	0.59
	TOTAL CURRENT ASSETS	(2)		**6,492.63**	**2,948.77**
	TOTAL ASSETS (1 + 2)			**9,237.23**	**5,693.37**
B.	**EQUITY AND LIABILITIES**				
	EQUITY				
	(a) Equity Share Capital		7	1,807.00	1,652.00
	(b) Other Equity		8	7,388.57	4,010.58
	TOTAL EQUITY			**9,195.57**	**5,662.58**
	LIABILITIES				
(1)	NON-CURRENT LIABILITIES				
	(a) Financial Liabilities				
	i) Borrowings			-	-
	ii) Lease Liabilities			-	-
	TOTAL NON-CURRENT LIABILITIES	(1)		**-**	**-**

Standalone Balance Sheet as at 31st March, 2026

[Amount in Lakhs]

	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
(2)	CURRENT LIABILITIES			
	(a) Financial Liabilities			
	i) Borrowings	9	-	10.00
	ii) Lease Liabilities		-	-
	iii) Trade Payables			
	-Total outstanding dues of micro enterprises & small enterprises		-	-
	-Total outstanding dues of creditors other than micro enterprises & small enterprises		-	-
	iv) Other financial liabilities	10	38.85	20.74
	(b) Other Current Liabilities	11	-	0.04
	(c) Short Term Provisions	12	2.81	-
	TOTAL CURRENT LIABILITIES (2)		**41.66**	**30.78**
	TOTAL LIABILITIES (1 + 2)		**41.66**	**30.78**
	TOTAL EQUITY AND LIABILITIES		**9,237.24**	**5,693.36**
	Significant Accounting Policies & Practices and Other Notes	1 & 21 to 25		
	Additional Regulatory Information	26		

The accompanying notes are an integral part of the Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057KRNLAZ7219

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

Indore, May 29th, 2026

Statement of Profit and Loss for the year ended 31st March, 2026

[Amount in Lakhs]

	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	INCOME			
I	Revenue from Operations	13	-	747.27
II	Other Income	14	190.15	10.21
III	**TOTAL INCOME (I + II)**		**190.15**	**757.48**
IV	**EXPENSES**			
	Purchases of Stock-In-Trade	15	-	713.29
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	16	-	0.71
	Employee Benefits Expense	17	104.06	7.60
	Finance Costs	18	0.36	-
	Other Expenses	19	19.22	17.13
	TOTAL EXPENSES (IV)		**123.64**	**738.73**
V	Profit before tax (III-IV)		**66.51**	**18.75**
VI	Tax Expense:			
	Current Tax		16.74	-
	Adjustments of Tax relating to earlier periods		-	0.68
	Deferred Tax Charge/ (Credit)		-	-
	TOTAL TAX EXPENSE (VI)		16.74	0.68
VII	**PROFIT FOR THE YEAR (V-VI)**		**49.77**	**18.08**
VIII	Other Comprehensive Income			
	A. (i) Items that will not be reclassified subsequently to profit or loss		-	0.02
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
	B. (i) Items that will be reclassified subsequently to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		-	-
	Total Other Comprehensive Income/(Expense) for the year (Net of Tax) (VIII)		-	0.02
IX	**TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR (NET OF TAX) (VII+VIII)**		**49.77**	**18.09**
X	Earnings per Equity Share	20		
	Basic (Rs.)		0.30	0.47
	Diluted (Rs.)		0.30	0.47
	Significant Accounting Policies & Practices and Other Notes	1 & 21 to 25		
	Additional Regulatory Information	26		

The accompanying notes are an integral part of the Financial Statements

In terms of our report of even date attached

For and on the behalf of the Board of Directors

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057KRNLAZ7219

Indore, May 29th, 2026

Indore, May 29th, 2026

SMT ENGINEERING LIMITED

[CIN - L33120MP1992PLC080093]

Standalone Statement of Cash Flows for the year ended 31st March, 2026

[In Rupees]

Sno.	Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		66,50,801		18,75,673
	Adjustments for :				
	Loss/(Gain) on sale of investments	-		30,000	
	Interest Income	(1,90,14,860)	(1,90,14,860)	(10,21,165)	(9,91,165)
	Operating Profit before Working Capital Changes		(1,23,64,059)		8,84,508
	Net change in:				
	Inventories	-		70,900	
	Trade Receivables	-		2,30,38,300	
	Loans and Advances	(42,09,75,255)		-	
	Other Financial Assets	-		(21,67,04,139)	
	Other Current Assets	(13,08,442)		2,37,85,500	
	Trade Payable	-		(7,10,700)	
	Financial Liabilities	18,10,829		1,34,100	
	Other Current Liabilities	(3,500)		(2,09,200)	
	Short Term Provisions	2,81,389	(42,01,94,979)	-	(17,05,95,239)
	Cash generated from/ (used in) Operations		(43,25,59,038)		(16,97,10,731)
	Direct Taxes Paid (Net)		(18,42,388)		(10,36,800)
	Net Cash generated from/ (used in) Operating Activities		**(43,44,01,426)**		**(16,86,73,931)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Gain/(Loss) on Sale of Investments		-		1,76,000
	Interest Income		1,90,14,860		10,21,165
	Net Cash generated from/ (used in) Investing Activities		**1,90,14,860**		**11,97,165**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Repayment)/Proceeds of Short-term Borrowings		(10,00,000)		10,00,000
	Issue /(Redemption) of Equity Share capital		1,55,00,000		22,44,75,000
	Security Premium on issue /(Redemption) of Equity Share capital		33,28,20,830		-
	Net Cash generated from/ (used in) Financing Activities		**34,73,20,830**		**22,54,75,000**

SMT ENGINEERING LIMITED

[CIN - L33120MP1992PLC080093]

Standalone Statement of Cash Flows for the year ended 31st March, 2026 (Contd…)

[In Rupees]

Sno.	Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
	NET CHANGE IN CASH AND CASH EQUIVALENTS [A+B+C]		(6,80,65,736)		5,79,98,234
	Cash and cash equivalents at the beginning of the year		6,81,16,134		1,01,17,900
	Cash and cash equivalents at the end of the year		**50,398**		**6,81,16,134**
	Components of cash and cash equivalents as at the year end :				
	Balance with Banks in Current Accounts		12,145		6,80,77,881
	Cash on Hand		38,253		38,253
	Cash and cash equivalents at the end of the year		**50,398**		**6,81,16,134**

The accompanying notes form an integral part of the Standalone Financial Statements

In terms of our report of even date attached

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057KRNLAZ7219

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

Indore, May 29th, 2026

Notes to the financial statements
as at and for the year ended 31st March, 2026

NOTE - 1A - CORPORATE INFORMATION

SMT Engineering Limited (formerly known as Adarsh Mercantile Limited) ("The Company") is engaged in the business of trading of goods and shares and investments in mutual funds, shares and securities. The Company is a Public Limited company incorporated and domiciled in India and has its registered office at Plot No. 23 D Sector A Sanwer Road Industrial Area, Near Parle G Biscuit Factory, Indore 452015 Madhya Pradesh, India.. The Company has its primary listing on Bombay Stock Exchange. In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

NOTE - 1B - SIGNIFICANT ACCOUNTING POLICIES

1B.1 **Basis of Preparation**

The Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2026, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31 March 2026, and accounting policies and other explanatory information (together hereinafter referred to as ‘the Financial Statements’).

The standalone financial statements of the Company for the year ended March 31st, 2026 have been authorized for issue in accordance with a resolution passed in the Meeting of the Board of Directors held on 29th May, 2026.

1B.2 **Basis of Measurement**

The financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting.

1B.3 **Functional and Presentation Currency**

These financial statements are presented in Indian Rupees (Rs.), which is the Company's functional currency.

1B.4 **Summary of Significant Accounting Policies**

1B.4.1 Property, Plant and Equipment (PPE)

(a) Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any other cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

(b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

(c) Depreciation on Property, Plant and Equipment is provided using straight line method, except on Land , on which no depreciation is provided. Depreciation provided is based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 . If, significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of Property, Plant and Equipment.

(d) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognised.

(f) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “stores & spares” forming part of the inventory.

1B.4.2 Capital Work-in-Progress

(a) Expenditure incurred on assets under construction (including a project) is carried at cost under 'Capital Work-in-Progress'. Such costs comprises purchase price of asset including import duties and non-refundable taxes and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and after deducting trade discounts and rebates.

(b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

(c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the “attributability” and the “Unit of Measure” concepts defined in Ind AS 16- “Property, Plant & Equipment”. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

1B.4.3 Finance Cost

(a) Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

(b) All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

1B.4.4 Inventories

(a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

(b) Cost of stores and spares, packing materials, trading products and other products are determined at Cost on FIFO basis

1B.4.5 Impairment of Non-Financial Assets - Property, Plant and Equipment

(a) The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

(b) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

(c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1B.4.6 Assets Held For Sale

The assets are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the asset is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under the head 'Assets Held for Sale'. The Company, is not holding any asset which is to be classified as 'Assets Held For Sale'.

1B.4.7 Provisions, Contingent Liabilities and Contingent Assets

(a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management's estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

(b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(c) Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management's estimate.

(d) Contingent assets are not recognized but are disclosed in the financial statements only when inflow of economic benefits is probable.

1B.4.8 Income Taxes

(a) Income-Tax expense comprises of current and deferred income tax. Income tax expense is recognised in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income or Equity.

(b) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

(c) Deferred tax is recognised 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.

(d) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(e) Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

1B.4.9 Foreign Currency Transactions and Translations

(a) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

(b) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

(c) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

1B.4.10 Employee Benefits Expense

(a) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(b) Post-Employment Benefits - Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and ESIC Fund. The Company recognises contribution payable to the provident fund scheme and ESIC fund scheme, as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to that extent.

(c) Post-Employment Benefits - Defined Benefits Plans

(i) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the provisions of the Payment of Gratuity Act, 1972.

(iii) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the governing Income-Tax authorities.

(iv) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

(v) Re-measurements of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

1B.4.11 Revenue from Operations

(a) Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

(b) Revenue from sale of goods is measured at the fair value of the consideration received or receivable after taking into account contractually defined terms of payment and excluding trade discounts, volume rebates and taxes or duties collected on behalf of the Government such as Goods and Services Tax [GST].

(c) The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

1B.4.12 Other Income

For all Debt Instruments measured either at Amortized Cost or at Fair Value through Other Comprehensive Income, interest income is recorded using the Effective Interest Rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

1B.4.13 Goods and Services Tax [GST]

The Goods and Services Tax balances, as appearing in the Balance Sheet of the Company, are subject to the reconciliation at the time of furnishing the annual GST returns of the company, under the Goods and Services Tax Enactments, for the financial year 2025-26.

1B.4.14 Financial Instruments

(a) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value, are adjusted to the fair value, through profit and loss, on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the 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.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the 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.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

(iii) Reclassification of Financial Assets

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in ‘Other Comprehensive Income’. However, dividend on such equity investments are recognised in Statement of Profit and loss when the company’s right to receive payment is established.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(b) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Derivative financial instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

(i) Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

(ii) Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

(d) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(e) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1B.4.15 Operating Cycle

(a) The Company presents its assets and liabilities in the balance sheet based on current/non-current classification which is based upon the Company's operating cycle. The Company has identified twelve months as its operating cycle.

(b) An asset is treated as current when it is:

(i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
(ii) Held primarily for the purpose of trading;
(iii) Expected to be realized within twelve months after the reporting period; or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

(c) A liability is treated as current when :

(i) It is expected to be settled in normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(d) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1B.4.16 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of shares issued during the year including bonus issue.

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 are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

1B.4.17 Statement of Cash Flows

(a) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) The Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 on 'Statement of Cash Flows'.

1B.4.18 Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to assets are presented by deducting the grant from the carrying amount of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1C.1 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, Plant and Equipment / Intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company’s historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

1C.2 Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1C.3 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1C.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Units (CGU’s) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

1C.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

NOTE - 1D - Standards Notified but Not Yet Effective

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During year ended March 31, 2026 MCA has not notified any new standards or amendments to the existing standards that are not yet effective.

SMT ENGINEERING LIMITED
[CIN - L33120MP1992PLC080093]

Statement of Changes in Equity for the year ended 31st March, 2026

A. **Equity Share Capital**

[Amount in Lakhs]

Particulars	Number of Shares	Amount
Balance as at 01st April, 2024	36,75,000	368
Changes in equity share capital during the year	1,28,45,000	1,285
Balance as at 31st March, 2025	1,65,20,000	1,652
Changes in equity share capital during the year	15,50,000	155
Balance as at 31st March, 2026	1,80,70,000	1,807

B. **Other Equity**

For the year ended 31st March, 2025

[Amount in Lakhs]

Particulars	Reserve and Surplus				Total Other Equity
	Security Premium	Retained Earnings	General Reserve	Other Comprehensive Income	
Balance at the beginning of reporting period as at 1st April, 2024	-	187	105	(5)	288
Balance at the beginning of reporting period as at 1st April, 2024	**-**	**187**	**105**	**(5)**	**288**
Profit for the financial year 2024-25	-	18	-	0	18
Fresh Issues of shares on account of Initial Public Offering	3,725				3,725
Expenses relating to IPO netted-off against the above	(20)				(20)
Transferred from Other Comprehensive Income	-	(5)	-	-	(5)
Transferred to Other Comprehensive Income				5	5
Total	**3,705**	**14**	**-**	**5**	**3,723**
Balance at the end of reporting period as at 31st March, 2025	**3,705**	**201**	**105**	**-**	**4,011**

For the year ended 31st March, 2026

[Amount in Lakhs]

Particulars	Reserve and Surplus				Total Other Equity
	Security Premium	Retained Earnings	General Reserve	Other Comprehensive Income	
Balance at the beginning of reporting period as at 1st April, 2025	3,705	201	105	-	4,011
Balance at the beginning of reporting period as at 1st April, 2025	**3,705**	**201**	**105**	**-**	**4,011**
Profit for the financial year 2025-26	-	50	-	-	50
Fresh Issues of shares on account of Initial Public Offering	3,333	-	-	-	3,333
Expenses relating to IPO netted-off against the above	(4)				(4)
Total	**3,328**	**50**	**-**	**-**	**3,378**
Balance at the end of reporting period as at 31st March, 2026	**7,033**	**250**	**105**	**-**	**7,389**

The above Statement should be read with the Note-1 Significant Accounting Policies and other explanatory Notes to Special Purpose Standalone Financial Statements.

The accompanying notes are an integral part of the Special Purpose Standalone Financial Statements
As per our attached Report of even date

In terms of our report of even date attached

For and on the behalf of the Board of Directors

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057KRNLAZ7219

Indore, May 29th, 2026

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

NOTE - 2 - FINANCIAL ASSETS

[Amount in Lakhs]

Particulars		As at 31st March, 2026	As at 31st March, 2025
A.	**Investments in Equity Instruments [Unquoted]**		
(i)	**Investment in Wholly Owned Subsidiary Company**		
	1,26,120 Equity Shares of Face Value of Rs 100/- each, Fully paid-up in Sai Machine Tools Pvt. Ltd.	2,744.60	2,744.60
	TOTAL	2,744.60	2,744.60

NOTE - 2.1 - Investments in Equity Instruments

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	2,744.60	2,744.60
Aggregate amount of Impairment in Value of Quoted Investments	-	-
Aggregate amount of Impairment in Value of Unquoted Investments	-	-

NOTE - 3 - CASH AND CASH EQUIVALENTS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with Banks in Current Accounts	0.12	680.78
Cash on hand	0.38	0.38
TOTAL	0.50	681.16

NOTE - 4 - LOANS & ADVANCES

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured		
to related parties	6,476.78	2,267.02
TOTAL	6,476.78	2,267.02
Note		
Loans receivable considered good	6,476.78	2,267.02
Loans receivable which have significant increase in Credit Risk	-	-
Loans receivable - credit impaired	-	-
TOTAL	6,476.78	2,267.02
Note : Refer Note 24 for related party details.		

Note - 4.1 - Additional regulatory information required by the Companies Act, 2013 as regard to Loans or Advances

[Amount in Lakhs]

Type of Borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of Loan or Advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of Loan or Advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Wholly Owned Subsidiary	6,476.78	100%	2,267.02	100%

Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Other Related Parties	-	-	-	-
TOTAL	6,476.78	100%	2,267.02	100%

NOTE - 5 - OTHER CURRENT ASSETS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advances other than capital advances		
Advance for Expenses	13.08	-
TOTAL	13.08	-

Notes:

(i) None of the advance or receivable has been considered as having significant increase in credit risk or credit impaired loans.

NOTE - 6 CURRENT TAX ASSETS (NET)

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance Income-Tax & TDS Claim	19.01	0.59
Provision for Tax	16.74	-
Current Tax Assets (Net)	2.27	0.59

NOTE - 7 - EQUITY SHARE CAPITAL

A. Authorised and Paid-up Share Capital

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs.10/- each	1,81,00,000	1,810.00	1,70,00,000	1,700.00
Issued, subscribed and fully paid-up				
Equity Shares of Rs.10/- each Fully Paid-up	1,80,70,000	1,807.00	1,65,20,000	1,652.00
TOTAL	1,80,70,000	1,807.00	1,65,20,000	1,652.00

Notes:

(i) During the year, the company has made Equity shares issued on the basis of preferential allotment of 15,50,000 Equity shares with a face value of Rs. 10/- each at an issue price of Rs. 225/- per share.

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,65,20,000	1,652.00	36,75,000	367.50
Shares issued during the year on the basis of preferential allotment	15,50,000	155.00	1,28,45,000	1,284.50
Shares bought back during the year	-	-	-	-

Shares outstanding at the end of the year	1,80,70,000	1,807.00	1,65,20,000	1,652.00

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

[Amount in Lakhs]

Name of Shareholder	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Ajay Jaiswal	36,01,492	19.93%	35,68,902	21.60%
Shri Vishal Kumar Jaiswal	34,92,964	19.33%	34,92,964	21.14%
Shri Ashok Jaiswal	28,39,541	15.71%	28,39,541	17.19%
Smt. Poonam Jaiswal	10,26,113	5.68%	10,26,113	6.21%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Details of shares held by Promoters as defined in the Companies Act, 2013 as at 31st March, 2026 and as at 31st March, 2025

Name of the Promoter	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
Shri Ashok Jaiswal	28,39,541	15.71%	-	-	15.71%
Shri Ajay Jaiswal	36,01,492	19.93%	-	-	19.93%
Smt. Shikha Jaiswal	5,56,276	3.08%	-	-	3.08%
Shri Vishal Jaiswal	34,92,964	19.33%	-	-	19.33%
Smt. Niharika Jaiswal	6,70,338	3.71%	-	-	3.71%
Smt. Poonam Jaiswal	10,26,113	5.68%	-	-	5.68%
Shri Ashish Chhawchharia	-	0.00%	30,577	0.19%	(0.19%)
Shri Kshitiz Chhawchharia	-	0.00%	30,576	0.19%	(0.19%)
Total	1,21,86,724	67.44%	61,153	0.38%	67.07%

E Details of shares held by Promoters as defined in the Companies Act, 2013 as at 31st March, 2025 and as at 31st March, 2024

Name of the Promoter	As at 31st March, 2025		As at 31st March, 2024		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
Sushil Kumar Chhawchharia HUF	-	-	2,73,355	7.44%	(7.44%)
Ashish Chhawchharia	30,577	0.19%	1,38,375	3.77%	(3.58%)
Ashish Chhawchharia HUF	-	-	3,51,643	9.57%	(9.57%)
Kshitiz Chhawchharia	30,576	0.19%	1,40,000	3.81%	(3.62%)
Kshitiz Chhawchharia HUF	-	-	3,54,650	9.65%	(9.65%)
Avon Credit Private Limited	-	-	14,93,130	40.63%	(40.63%)
Total	61,153	0.38%	27,51,153	74.86%	(74.49%)

F Rights, Preferences and restrictions attached to Equity Shares

The company has issued only one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

NOTE - 8 - OTHER EQUITY

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Premium	7,033.07	3,704.85
Retained Earnings	250.29	200.52
General Reserve	2.45	2.45
General Reserve on Amalgamation	102.76	102.76
Other Comprehensive Income	-	-
TOTAL	7,388.57	4,010.58

NOTE - 8.1 - Nature and Purposes of Reserves

(a) Security Premium

The amount received in excess of face value of the equity shares is recognized in Securities Premium. The amount of securities premium can be utilized only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

The details of movement in Securities Premium during the year is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	3,704.85	-
Add : Premium on issue of Equity Shares	3,332.51	3,725.28
	7,037.36	3,725.28
Less: Utilized during the year	4.29	20.43
Closing Balance	7,033.07	3,704.85

(b) Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to

The details of movement in Retained Earnings during the year is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	200.52	187.00
Add: Profit for the year	49.77	18.08
	250.29	205.08
Add: Transfereed from Other Comprehensive Income	-	(4.56)
	250.29	200.52
Less : Amount transferred to General Reserve	-	-
Closing Balance	250.29	200.52

(c) General Reserve

General reserve is referred to as the reserve fund that is created by keeping aside a part of profit earned by the business during the course of an accounting period for fulfilling various business needs like meeting contingencies, offsetting future losses, enhancing the working capital, paying dividends to the shareholders, etc.

The details of movement in General Reserve is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	2.45	2.45
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	2.45	2.45

(d) General Reserve on Amalgamation

A general reserve on amalgamation is the retained profit of the transferor company that is carried forward to the transferee company

The details of movement in General Reserve on Amalgamation is as below:

[Amount in Rs.]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	102.76	102.76

Add: Movement during the year	-	-
Balance at the end of the year	102.76	102.76

(e) Other Comprehensive Income

Other comprehensive Income represents amounts of acturial gains/(losses) on remeasurement of defined benefit obligations.

The details of movement in Other Comprehensive Income is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	-	(4.57)
Add: Investment carried at FVTOCI	-	0.02
	-	(4.56)
Add: Transferred to Retained Earnings	-	4.56
Closing Balance	-	-

Note - 9 - BORROWINGS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured		
to related parties	-	10.00
TOTAL	-	10.00

Notes:

(i) Refer Note 24 for Related party details.

NOTE - 10 - OTHER FINANCIAL LIABILITIES

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Creditors for Expenses	38.85	20.74
TOTAL	38.85	20.74

Notes:

(i) Refer Note 24 for Related party details.

NOTE - 11 - OTHER CURRENT LIABILITIES

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory Dues Payable	-	0.04
TOTAL	-	0.04

NOTE - 12 - SHORT-TERM PROVISIONS

[Amount in Rs.]

Particulars	As at 31st March, 2026	As at 31st March, 2025

For Employee Benefits	-	-
For Others	2.81	-
TOTAL	2.81	-

NOTE - 13 - REVENUE FROM OPERATIONS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Shares & Securities	-	747.57
Loss on sale of Investment measured at Amortised Cost	-	(0.30)
TOTAL	-	747.27

NOTE - 14 - OTHER INCOME

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest income	190.15	10.21
TOTAL	190.15	10.21

Notes:

(i) Refer Note 24 for Related party details.

NOTE - 15 - PURCHASES OF STOCK-IN-TRADE

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Purchases	-	713.29
TOTAL RUPEES	-	713.29

NOTE - 16 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. **Inventories at the begining of the year**		
- Shares & Securities	-	0.71
(A)	-	(0.71)
B. **Inventories at the end of the year**		
- Shares & Securities	-	-
(B)	-	-
CHANGES IN INVENTORIES (A-B)	-	0.71

NOTE - 17 - EMPLOYEE BENEFITS EXPENSE

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Key managerial remuneration	96.00	-
Directors' sitting fees	1.62	-
Salaries & Allowances	6.44	7.60

Staff Welfare Expenses	-	0.01
TOTAL	104.06	7.60

Notes:

(i) Refer Note 24 for Related party details.

NOTE - 18 - FINANCE COSTS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest Expense		
- Belated Payment of TDS	0.36	-
TOTAL	0.36	-

NOTE - 19 - OTHER EXPENSES

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. **Administrative Expenses**		
Auditors' Remuneration		
- Audit Fees	0.50	0.35
Legal & Professional Expenses	10.12	5.00
Travelling Expenses	0.16	-
Printing & Stationery	0.10	-
ROC Filing Expenses	0.03	-
Postage & Telegram	0.11	-
Miscellaneous Expenses	0.55	0.26
(A)	11.57	5.61

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
B. **Marketing Expenses**		
Advertisment & Publicity Expenses	2.47	0.19
Listing expenses	4.62	7.87
Rates & Taxes	-	1.82
Sundry Balances written off	0.56	1.65
(B)	7.65	11.52
TOTAL (A+B)	19.22	17.13

NOTE - 19.1 - Break-up of Audit Fees

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Auditors' Remuneration		
- Statutory Audit Fees	0.50	0.35
- Tax Audit Fees	-	-
(b) Certification and Consultation Fees	-	-
TOTAL	0.50	0.35

NOTE - 20 - EARNINGS PER EQUITY SHARE

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	49.77	18.08
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,67,23,836	38,86,151
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,67,23,836	38,86,151
Basic Earning Per Share (Rs.)	0.30	0.47
Diluted Earning Per Share (Rs.)	0.30	0.47
Face Value Per Equity Share (Rs.)	Rs.10	Rs.10

Note :

(i) The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

NOTE - 21 - THE RECONCILIATION OF TAX EXPENSES AND THE ACCOUNTING PROFIT

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Profit before Tax	66.51	18.75
Effect of Ind AS Adjustments	-	-
Adjusted Profit before Tax	66.51	18.75
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	16.74	4.72
Tax Effect of:		
Income not taxable	-	-
Uncertain tax positions	0.0013	(4.7207)
Current Tax Provision	16.74	-
Effective Tax Rate	25.170%	-

NOTE - 22 - CONTINGENT LIABLITIES & COMMITMENTS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Contingent Liabilities		
A. Contested Demand		
- A.Y. 2007-08	0.06	0.06
- A.Y. 2008-09	0.06	0.06
Total	0.12	0.12
B. Guarantees		
-Claim Against the company, not acknowledged as debts	-	-
- Corporate Guarantee	10,003.00	-
Total	10,003.00	-
C. Other money for which the Company is contingently liable against pending litigations	-	-
Total	-	-
(ii) Commitments		

- Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	-
- Uncalled liability on shares and other investments partly paid	-	-
- Other Commitments	-	-

Notes:

(i) The Company does not expect any reimbursements in respect of the above contingent liabilities

(ii) Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

NOTE - 23 - INFORMATION AS REQUIRED TO BE GIVEN AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

[Amount in Lakhs]

	Particulars	As at 31st March, 2026	As at 31st March, 2025
A.	Key Managerial Remuneration		
	- Salary and Allowances	96.00	-
B.	Foreign Currency Transactions		
i)	Value of Imports calculated on CIF Basis		
	- Raw Material	-	-
	- Components and spare parts	-	-
	- Capital Goods	-	-
ii)	Expenditure in Foreign Currency	-	-
iii)	Earning in Foreign Currency		
	- Export of goods on calculated on FOB Basis	-	-
	- Royalty, Know how, professional & consultation fees	-	-
	- Interest and Dividend	-	-
	- Other Income	-	-

NOTE - 24 - RELATED PARTY DISCLOSURES

(i) **List of related parties**

Sno.	Relationship	Name of the party
1	Wholly Owned Subsidiary	1) Sai Machine Tools Private Limited
2	Step Down Subsidiary	1) Chemerix Life Sciences Pvt.Ltd.
3	Associate	1) Avon Credit Private Limited (ceases to be associate w.e.f. 19-09-2024)
4	Key managerial personnel [KMP]	1) Mr. Ashok Jaiswal (Chairman & Director) 2) Mr. Ajay Jaiswal (Managing Director & CFO) 3) Mr. Vishal Jaiswal (Whole-Time Director) 4) Mr. Mohd Shanawaz Shekh (Company Secretary) 5) Mrs. Suchita Chhawchharia (Executive Director resigned w.e.f. 07-03-2025) 6) Mr. Aritra Basu (Director resigned w.e.f. 07-03-2025) 7) Mr. Shiv Shankar Sharma (Chief Financial Officer, cessation w.e.f. 21-12-2024) 8) Ms. Radhika Mayaramka (Company Secretary resigned w.e.f. 01-02-2025)
5	Enterprises over which Key Managerial Personnel/relatives of Key Managerial Personnel have significant influence or control	1) BCCO Commodities Private Limited 2) BCCO Holdings Private Limited 3) Aster Dealcom Private Limited 4) Ambicon Ventures Private Limited 5) Ashoka Polyplast Pvt. Ltd. 6) M/s. SMT Extrusion Technique [Partnership Firm] 7) M/s. VAVA Extrusion and Irrigations Technique [Partnership Firm] 8) M/s. Soft Care Solutions [Partnership Firm] 9) M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal] 10) M/s. SMT Plast [Prop. Shri Ashok Jaiswal]
6	Other Related Parties	1) Smt. Vandana Jaiswal 2) Smt. Poonam Jaiswal

(ii) **Related Party Transactions**

[Amount in Lakhs]

Sno.	Related party transaction summary	Key Managerial Personnel [KMP]		Subsidiary Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	Investment in Wholly Owned Subsidiary Company								
	Sai Machine Tools Private Limited	-	-	2,744.60	2,744.60	-	-	-	-
	Total	-	-	2,744.60	2,744.60	-	-	-	-
2	Buy-Back of Equity Shares								
	Avon Credit Pvt. Ltd.	-	-	-	-	-	-	-	1.20
	Total	-	-	-	-	-	-	-	1.20
3	Interest Income								
	Sai Machine Tools Private Limited	-	-	190.15	2.04	-	-	-	-
	Total	-	-	190.15	2.04	-	-	-	-
4	Advance against salary Given								
	Mr. Shiv Shankar Sharma	-	0.25	-	-	-	-	-	-
	Total	-	0.25	-	-	-	-	-	-
5	Advance against salary received back								
	Mr. Shiv Shankar Sharma	-	0.20	-	-	-	-	-	-
	Total	-	0.20	-	-	-	-	-	-
6	Sundry Balances written off								
	Mr. Shiv Shankar Sharma	-	1.75	-	-	-	-	-	-
	Total	-	1.75	-	-	-	-	-	-
7	Consultancy charges								
	Mrs. Suchita Chhawchharia	-	5.00	-	-	-	-	-	-

	Total	-	5.00	-	-	-	-	-	-
8	Remuneration to Key Management Personnel								
	Shri Ajay Jaiswal	48.00	-	-	-	-	-	-	-
	Shri Vishal Jaiswal	48.00	-	-	-	-	-	-	-
	Total	96.00	-	-	-	-	-	-	-
9	Salaries & Allowances								
	Mrs. Suchita Chhawchharia	-	1.65	-	-	-	-	-	-
	Mr. Shiv Shankar Sharma	-	2.91	-	-	-	-	-	-
	Ms. Radhika Mayaramka	-	1.60	-	-	-	-	-	-
	Mr. Mohd Shanawaz Shekh	6.44	-	-	-	-	-	-	-
	Total	6.44	6.16	-	-	-	-	-	-

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Subsidiary Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
10	Unsecured loan taken								
	Shri Ajay Jaiswal								
	Opening Balance	10.00	10.00	-	-	-	-	-	-
	Taken during the year	-	-	-	-	-	-	-	-
	Refund during the year	10.00	-	-	-	-	-	-	-
	Closing Balance	-	10.00	-	-	-	-	-	-
11	Loans & Advances								
	Sai Machine Tools Private Limited								
	Opening Balance	-	-	2,267.02	-	-	-	-	-
	Given during the year	-	-	4,300.57	2,267.22	-	-	-	-
	Received back during the year	-	-	90.82	0.20	-	-	-	-
	Closing Balance	-	-	6,476.77	2,267.02	-	-	-	-
	BCCO Commodities Pvt. Ltd.								
	Opening Balance	-	-	-	-	-	28.00	-	-
	Given during the year	-	-	-	-	-	-	-	-
	Received back during the year	-	-	-	-	-	28.00	-	-
	Closing Balance	-	-	-	-	-	-	-	-
	BCCO Holding Pvt. Ltd.								
	Opening Balance	-	-	-	-	-	13.08	-	-
	Given during the year	-	-	-	-	-	1.11	-	-
	Received back during the year	-	-	-	-	-	14.19	-	-
	Closing Balance	-	-	-	-	-	-	-	-

(iii) **Balances as at 31st March, 2026**

[Amount in Lakhs]

Sno.	Outstanding balances	Subsidiary Company		Key managerial personnel [KMP]		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	Investment in Wholly Owned Subsidiary Company								
	Sai Machine Tools Private Limited	2,744.60	2,744.60	-	-	-	-	-	-
	Total	2,744.60	2,744.60	-	-	-	-	-	-
2	Loans & Advances								
	Sai Machine Tools Private Limited	6,476.77	2,267.02	-	-	-	-	-	-
	Total	6,476.77	2,267.02	-	-	-	-	-	-
3	Trade & Other Payables								
	Shri Vishal Jaiswal	-	-	37.39	-	-	-	-	-
	Mr. Mohd Shanawaz Shekh	-	-	0.60	-	-	-	-	-
	Total	-	-	37.99	-	-	-	-	-
4	Guarantee Given								
	Chemerix Life Sciences Pvt.Ltd.	-	-	-	-	4,700.00	-	-	-
	Sai Machine Tools Private Limited	5,303.00	-	-	-	-	-	-	-
	Total	5,303.00	-	-	-	4,700.00	-	-	-

NOTE - 25 - OTHER NOTES

Disclosure on Financial Instruments

(a) All the financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(i) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

(ii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date. Fair Value measurement hierarchy:

[Amount in Lakhs]

	Particulars	As at 31st March, 2026		As at 31st March, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A.	**Financial Assets**				
I	At Amortized Cost				
(i)	Investments	2,744.60	2,744.60	2,744.60	2,744.60
(ii)	Loans	6,476.78	6,476.78	2,267.02	2,267.02
(iii)	Cash and Cash Equivalents	0.50	0.50	681.16	681.16
II	At FVTPL	-	-	-	-
III	At FVTOCI	-	-	-	-
	TOTAL	9,221.88	9,221.88	5,692.78	5,692.78
B.	**Financial Liabilities**				
(i)	Borrowings	-	-	-	-
(ii)	Lease Liabilities	-	-	-	-
(iii)	Trade Payables	-	-	-	-
(iv)	Other Financial Liabilities	38.85	38.85	20.74	20.74
	TOTAL	38.85	38.85	20.74	20.74

The management assessed that the fair value of Investment, loan, cash and cash equivalents,other Financial Assets and Other Current Financial assets and liabilities approximate their carrying value largely due to the short term maturities of these instruments.

There have been no transfers between Level 1, Level 2 and Level 3 during year ended March 31, 2026, March 31, 2025.

Fair Value hierarchy:

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as short term deposits and cash & cash equivalents, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of theses risks, which are summarised below.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments and derivative financial instruments.

(b) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

The Company is exposed to interest rate risk on short-term and long-term floating rate instruments. The borrowings of the Company are principally denominated in Indian Rupees with a mix of fixed and floating rates of interest. The Company has a policy of selectively using interest rate swaps and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a regular basis. The exposure of company's borrowing to interest rate changes as reported to the manangement at the end of reporting period are as follows:

[Amount in Lakhs]

Particulars	31st March, 2026	31st March, 2025
Fixed Rate borrowings	-	-
Floating Rate borrowings	-	-

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates.

(c) Interest Rate Sensitivity analysis:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Note: The impact is indicated on the profit/(loss) before tax basis).

(d) Equity Price Risk:

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all equity investment decisions.

(e) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

(f) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance & accounts department in accordance with the Company's policy. Investments of surplus funds are made with banks in Fixed deposits

(g) Liquidity Risk:

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The Company maintains adequate cash and cash equivalents along with the need based credit limits to meet the liquidity needs.

(h) Capital Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, security premium and all other equity, security premium and reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents and other bank balances.

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Borrowings (Refer note 8)	-	-
Less: Cash & cash equivalents (Refer note 2)	0.50	681.16
Net Debt	(0.50)	(681.16)
Total capital	9,195.57	5,662.58
Capital and net debt	9,195.07	4,981.42
Gearing ratio [Net Debt/Capital and Net Debt]	(0.01%)	(13.67%)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026, March 31, 2025.

NOTE - 26 - ADDITIONAL REGULATORY INFORMATION

1 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

2 During the financial year 2025-26, 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 rules made thereunder.

3 The Company has filed monthly returns or statements with the banks in respect of sanctioned working capital facilities, which materially are in agreement with the books of account.

4 The company is not declared a wilful defaulter by any bank or financial institution or any other lender.

5 The company has not entered into any material transaction with the companies struck-off under s. 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

6 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

7 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

8 The company has not applied for any Scheme of Arrangements in terms of Sections 230 to 237 of the Companies Act, 2013.

9 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding,whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10 The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

11 The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year 2025-26

12 Disclosure relating to various ratios

[Amount in Lakhs]

Sno.	Particulars	As at 31st March, 2026	As at 31st March, 2025	% of Changes compared to preceding year	Remarks (mandatory if Variation>25%)
(a)	**Current Ratio** (in times)				
	[Current Assets / Current Liabilities]				
	Current Assets	6,492.63	2,948.77		Primary due to more increase in Current Assets as compared to Increase in Current Liabilities as compared to Previous Year
	Current Liabilities	41.66	30.78		
	Current Ratio	155.83	95.80	62.66%	
(b)	**Debt Equity Ratio** (in times)				
	[Total Debts / Total Equity]				
	Total Debts [Non Current Borrowings + Current Borrowings]	-	10.00		
	Total Equity	9,195.57	5,662.58		Due to Repayment of Full Debt
	Debt Equity Ratio	-	0.0018	(100.00%)	
(c)	**Debt Service Coverage Ratio (i**n times)				
	[Earning available for Debt Service / Debt Service]				
	Earning available for Debt Service [Profit after Taxes + Finance Costs + Depreciation / Amortisation]	66.87	18.75		
	Debt Service [Finance Costs + Scheduled principal repayment of Non-Current Borrowings (Current Maturities of Long Term Debts of previous year)]	-	-		Not Applicable
	Debt Service Ratio	-	-	-	
	[Principal Repayments]	-	-		
	[Finance Cost]	-	-		
(d)	**Return on Equity Ratio** (in percentage)				
	[Profit after Tax / Average Total Equity]				

	Profit after Tax	49.77	18.08		
	Average Total Equity [(Opening Total Equity + Closing Total Equity)/2]	7,429.08	3,158.87		Not Applicable
	Return on Equity Ratio	0.67%	0.57%	17.07%	
(e)	**Inventory Turnover Ratio** (in times) [Sale of Prodeucts / Average Inventory]				
	Sale of Products	-	747.27		Due to no any business operation and turnover during the current year
	Average Inventory [(Opening Inventory + Closing Inventory) / 2]	-	0.35		
	Inventory Turnover Ratio	-	2,109.42	(100.00%)	
(f)	**Trade Receivable Turnover Ratio** (in times) [Turnover/ Average Trade Receivables]				
	Turnover (Revenue from Operations)	-	747.27		Due to no any business operation and turnover during the current year
	Average Trade Recievables [(Opening Trade Receivables + Closing Trade Receivables)/2]	-	115.19		
	Trade Receivable Turnover Ratio	-	6.49	(100.00%)	
(g)	**Trade Payable Turnover Ratio** (in time) [Net Purchases/ Average Trade Payables]				
	Net Purchases (Operating Costs)	-	713.29		Due to no any business operation and Purchase during the current year
	Average Trade Payables [(Opening Trade Payables + Closing Trade Payables)/2]	-	3.55		
	Trade Payable Turnover Ratio	-	200.73	(100.00%)	

[Amount in Lakhs]

Sno.	Particulars	As at 31st March, 2026	As at 31st March, 2025	% of Changes compared to preceding year	Remarks (mandatory if Variation>25%)
(h)	**Net Capital Turnover Ratio** (in times) [Turnover / Working Capital]				
	Turnover (Revenue from Operations)	-	747.27		Due to no any business operation and turnover during the current year
	Working Capital [Current Assets (-) Current Liabilities]	6,450.97	2,917.99		
	Net Capital Turnover Ratio	-	0.26	(100.00%)	
(i)	**Net Profit Ratio** (in percentage) [Net Profit after Tax / Turnover]				
	Profit after Tax	49.77	18.08		Due to no any business operation and turnover during the current year
	Turnover	-	747.27		
	Net Profit Ratio	-	2.42	(100.00%)	
(j)	**Return on Capital Employed** (in percentage) [Earning before Interest & Tax / Capital Employed]				
	Earning before Interest & Tax	66.87	18.75		Primary due to more increase in Earning before Interest and Tax as compared to Increase in Capital Employed as compared to Previous Year
	Capital Employed [Total Equity + Total Borrowings]	9,195.57	5,662.58		
	Return on Capital Employed	0.73%	0.33%	119.58%	
(k)	**Return on Investment Ratio** (in percentage) [Net Gain on Investment / Investment]				
	Net Gain on Investment	-	-		
	Investment	-	-		
	Return of Investment Ratio	-	-	-	Not Applicable

INDEPENDENT AUDITORS' REPORT

To
The Members,
SMT ENGINEERING LIMITED
(formerly known as Adarsh Mercantile Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **SMT Engineering Limited (formerly known as Adarsh Mercantile Limited)** ("the Parent Company") and its subsidiaries (Parent Company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31st, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'Consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report on separate financial statements of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st, 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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We believe that the audit evidence we have obtained along with the consideration of report on the subsidiaries' financial statements, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Parent Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditors' Report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Consolidated Financial Statements

The Parent Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also

Contd… 3

includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors, including the subsidiary companies.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

<u>Report on Other Legal and Regulatory Requirements</u>

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, as per the information and explanation provided to us by the management of the Parent Company, we report that the auditors of the holding & subsidiary companies included in the consolidated financial statements have made the following qualifications or adverse remarks in the respective Order reports of such companies:

S. No.	Name of the Company	CIN	Holding Company/subsidiary/ Associate/Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	SMT Engineering Limited	L33120MP1992PLC080093	Holding Company	Clause (x)(b)

Contd… 6

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report on separate financial statements of subsidiaries, referred in the Other Matters paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent Company as on March 31st, 2026, taken on record by the Board of Directors of the Parent Company and the report of the statutory auditors of its subsidiary companies, none of the directors of the Group Company is disqualified as on March 31st, 2026 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure-A";

(g) In our opinion, the managerial remuneration for the year ended March 31st, 2026 has been paid/provided by the Parent Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

Contd… 7

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report on separate financial statements of the subsidiaries:

(i) The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2026 on the consolidated financial position of the Group – *Refer Note - 38* to the Consolidated financial statements.

(ii) The Group did not have any material foreseeable losses on long-term contracts during the year ended 31st March, 2026.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

(iv) (a) The Parent Company's management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Parent Company's management has represented, that, to the best of its knowledge and belief, no funds have been received by the Parent company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Group has not declared or paid any dividend during the year.

(vi) Based on our examination, which included test checks, and as reported by the auditor of the subsidiary Companies, the Holding Company and its subsidiaries have used accounting softwares for maintaining its books of account for the financial year ended March 31st, 2026 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, on test check basis, we did not came across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company and its subsidiaries as per statutory requirements for record retention.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Parent Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : May 29th, 2026

Devendra Bansal
Partner
Membership No. : 078057
ICAI UDIN: 26078057UWYUMZ2807

ANNEXURE–A TO THE INDEPENDENT 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")

Referred to in Paragraph 1(f), under *'Report on Other Legal and Regulatory Requirements'* section of the Independent Auditors' Report of even date to the members of **SMT Engineering Limited (formerly known as Adarsh Mercantile Limited)** on the Consolidated financial statements as of and for the year ended March 31^{st}, 2026, we report that:

We have audited the internal financial controls over financial reporting of **SMT ENGINEERING LIMITED (formerly known as Adarsh Mercantile Limited)** ("the Company or the Parent Company") as of 31st March, 2026 in conjunction with our audit of the Consolidated financial statements of the Parent Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Parent 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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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 with reference to these Consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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, 2026, based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : May 29th, 2026

Devendra Bansal
Partner
Membership No. : 078057
ICAI UDIN: 26078057UWYUMZ2807

SMT ENGINEERING LIMITED & IT'S SUBSIDIARIES
[CIN - L33120MP1992PLC080093]

Consolidated Balance Sheet as at 31st March, 2026

[Amount in Lakhs]

Particulars		Note No.	As at 31st March, 2026	As at 31st March, 2025
A.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	2	2,336.95	1,751.71
	(b) Capital work-in-progress	3	2,128.08	237.27
	(c) Right-of-Use Assets	4	864.30	70.41
	(d) Intangible Assets Other than Goodwill	5	33.39	6.82
	(e) Goodwill		6.76	6.76
	(f) Financial Assets			
	i) Investments	6	302.47	3.47
	ii) Loans		-	-
	iii) Others	7	2,004.31	743.11
	Total Non-current assets		**7,676.27**	**2,819.56**
(2)	**Current assets**			
	(a) Inventories	8	10,702.76	6,720.46
	(b) Financial Assets			
	i) Trade receivables	9	3,403.85	2,138.68
	ii) Cash and cash equivalents	10	127.42	2,510.81
	iii) Bank balances other than cash and cash equivalents	11	995.57	9.23
	iv) Loan		-	-
	(c) Other current assets	12	3,772.51	2,511.35
	Total Current assets		**19,002.11**	**13,890.52**
	TOTAL ASSETS		**26,678.38**	**16,710.08**
B.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	(a) Equity Share capital	13	1,807.00	1,652.00
	(b) Other Equity	14	10,247.28	4,630.81
	Total Equity		**12,054.28**	**6,282.81**
	Liabilities			
(2)	**Non-current liabilities**			
	(a) Financial liabilities			
	i) Borrowings	15	3,678.51	1,541.54
	ii) Lease liabilities	16	103.39	61.95
	(b) Long term provisions	17	77.12	31.61
	(c) Deferred Tax Liablities (net)	18	230.59	44.27
	Total non-current liabilities		**4,089.61**	**1,679.36**

Consolidated Balance Sheet as at 31st March, 2026 (Contd…..)

[Amount in Lakhs]

	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
(3)	**Current liabilities**			
	(a) Financial liabilities			
	i) Borrowings	19	4,427.38	3,548.32
	ii) Lease liabilities	20	0.07	0.07
	iii) Trade payables	21		
	-total outstanding dues of micro enterprises and small enterprises		26.64	14.85
	-total outstanding dues of creditors other than micro enterprises and small enterprises		2,483.56	2,335.92
	iv) Other financial liabilities	22	2,322.61	2,202.85
	(b) Other current liabilities	23	225.66	154.74
	(c) Provisions	24	153.83	135.34
	(d) Current Tax Liablities (Net)	25	894.75	355.81
	Total current liabilities		**10,534.50**	**8,747.90**
	Total Liabilities		**14,624.11**	**10,427.26**
	TOTAL EQUITY AND LIABILITIES		**26,678.38**	**16,710.08**

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057UWYUMZ2807

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

Indore, May 29th, 2026

SMT ENGINEERING LIMITED & IT'S SUBSIDIARIES
[CIN - L33120MP1992PLC080093]

Consolidated Statement of Profit and Loss for the year ended 31st March, 2026

[Amount in Lakhs]

	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
	INCOME			
I	Revenue from operations	26	16,223.85	2,101.84
II	Other income	27	48.94	8.17
III	**TOTAL INCOME**		**16,272.78**	**2,110.02**
IV	**EXPENSES**			
	Cost of material consumed	28	11,329.91	693.40
	Purchase of stock in trade	29	-	713.29
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(1,950.84)	258.53
	Employee benefits expense	31	1,424.33	27.02
	Finance costs	32	435.69	5.55
	Depreciation and amortization expense	33	101.62	0.33
	Other expenses	34	1,370.77	146.27
	TOTAL EXPENSES		**12,711.48**	**1,844.40**
V	**Profit before exceptional items and tax (III-IV)**		**3,561.30**	**265.62**
VI	Exceptional items		-	4.62
VII	**Profit before Tax (V+VI)**		**3,561.30**	**270.24**
VIIII	Tax expense:			
	Current tax		966.74	16.32
	Adjustments of tax relating to earlier periods		93.58	19.40
	Deferred tax charge/ (credit)		192.96	-
	Total tax expense (VIII)		**1,253.29**	**35.72**
IX	**Profit for the year before share in Profit/ (Loss) of Associates (VII-VIII)**		**2,308.01**	**234.52**
X	Add: Share in Profit/ (Loss) of Associates		**-**	12.12
XI	**Profit for the year (IX-X)**		**2,308.01**	**246.64**
XII	**Other comprehensive income**	35		
	A. (i) Items that will not be reclassified subsequently to profit or loss		(26.40)	48.99
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		6.64	-
	B. (i) Items that will be reclassified subsequently to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income/(expense) for the year (net of tax) (XII)		(19.76)	48.99
XIII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX) (XI+XII)**		**2,288.26**	**295.62**
XIV	Earnings per equity share*	36		
	Basic (in Rs.)		13.80	6.35
	Diluted (In Rs.)		13.80	6.35
	**Also Refer Note - 13 for changes in number of equity shares outstanding*			

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057UWYUMZ2807

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th 2026

Indore, May 29th 2026

SMT ENGINEERING LIMITED & IT'S SUBSIDIARIES
[CIN - L33120MP1992PLC080093]

Consolidated Statement of Cash Flows for the year ended 31st March, 2026

[Amount in Lakhs]

S.No.	Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		3,561.30		1,896.51
	Adjustments for :				
	Depreciation and amortization expense	101.62		79.70	
	(Gain)/loss on sale of investments	-		0.30	
	Interest expense on lease liabilities	9.97		5.43	
	Other finance costs	425.72		325.93	
	Interest income	(33.43)		(13.16)	
	Loss / (Profit) on sale of Propert, Plant & Equipment	-		(162.67)	
	Remeasurement of Defined Benefit Plans	(26.40)	477.48	2.57	238.10
	Operating Profit before Working Capital Changes		4,038.78		2,134.61
	Net change in :				
	Inventories	(3,982.30)		(1,552.25)	
	Trade receivables	(1,265.18)		(1,110.69)	
	Other financial assets	(299.00)		770.55	
	Other current assets	(1,261.16)		(732.56)	
	Trade payables	159.43		(359.08)	
	Other financial liabilities	119.76		(211.09)	
	Other current liabilities	70.92		223.67	
	Short term provisions	18.49	(6,439.04)	32.18	(2,939.28)
	Cash generated from/ (used in) Operations		(2,400.26)		(804.66)
	Direct Taxes Paid (Net)		(521.38)		(165.88)
	Net Cash generated from/ (used in) Operating Activities		**(2,921.64)**		**(970.54)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment and Other Intangible assets		(709.02)		0.86
	Capital WIP		(1,890.81)		-
	Initial Payments for Lease Assets (ROU Assets)		(751.89)		
	Gain/(loss) on sale of investment		-		1.76
	Proceeds from sale of Investment Property		-		8.69
	Movement in other long term loans and advances		-		(2,167.04)
	Movement in other non-current assets		(1,261.20)		-
	Investment in Fixed Deposits		(986.34)		-
	Interest Income		33.43		13.16
	Net Cash generated from/ (used in) Investing Activities		**(5,565.85)**		**(2,142.57)**

SMT ENGINEERING LIMITED & IT'S SUBSIDIARIES
[CIN - L33120MP1992PLC080093]

Consolidated Statement of Cash Flows for the year ended 31st March, 2026 (Contd…..)

[Amount in Lakhs]

S.No.	Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Fresh Issue of Shares		3,483.21		2,244.75
	Proceeds/ (Repayment) of Long term borrowings		2,136.97		2,017.12
	Proceeds/ (Repayment) of Short term borrowings		879.06		1,391.16
	Movement in Long term provisions		45.51		-
	Payment of Lease Liabilities including Interest thereon		(14.92)		(5.49)
	Other Finance Costs		(425.72)		(325.93)
	Net Cash generated from/ (used in) Financing Activities		**6,104.10**		**5,321.61**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]		(2,383.39)		2,208.50
	Cash and cash equivalents at the beginning of the year		2,510.81		302.31
	Cash and cash equivalents at the end of the year		**127.42**		**2,510.81**
	Components of cash and cash equivalents as at the year end :				
	Balance with Banks in Current Accounts & Fixed Deposits		96.17		2,492.73
	Cash on Hand		30.22		18.07
	Fixed deposit receipts held against bank guarantees [with maturity less than 3 months]		1.03		-
			127.42		**2,510.81**

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057UWYUMZ2807

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

Indore, May 29th, 2026

Statement of Significant Accounting Policies and Other Explanatory Information

NOTE - 1A - CORPORATE INFORMATION

SMT Engineering Limited (formerly known as Adarsh Mercantile Limited) ("The Company") is engaged in the business of trading of goods and shares and investments in mutual funds, shares and securities. The Company is a Public Limited company incorporated and domiciled in India and has its registered office at Plot No. 23-D, Sector-A, Sanwer Road, Industrial Area, Near Parle G Biscuit Factory, Indore - 452015 Madhya Pradesh, India. The Company has its primary listing on Bombay Stock Exchange. In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

The Group, comprising of the company along with its one subsidiary company 'Sai Machine Tools Private Limited' and one step down subsidiary 'Chemerix Life Sciences Private Limited' over which the company has substantial control, is engaged in business of Manufacturing & Repairing of Machineries and Job Work & Manufacturing processing, other trading & related services of Pharmaceutical products, respectively.

NOTE - 1B - SIGNIFICANT ACCOUNTING POLICIES

1B.1 **Basis of Preparation of Consolidated Financial Statements**

The Management of the Group has restated financial statements for the financial years 2024-25 and 2023-24 as per IND AS . Accordingly, the date of transition to Ind AS is April 1, 2023.The company has complied with Ind AS 101, First Time Adoption of Indian Accounting Standards. The Restated Consoloidated Financial Statements have been prepared after incorporating adjustments in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 (the "Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accordingly, the Parent Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2026, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended 31 March 2026, and accounting policies and other explanatory information (together hereinafter referred to as 'the Consolidated Financial Statements').

The Consolidated financial statements of the Group for the year ended March 31, 2026 were authorized for issue in accordance with a resolution of the Board of Directors on May 29th, 2026.

Unless otherwise stated, the Consolidated Financial Statements are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakhs.

1B.2 **Principles of Consolidation**

The Consolidated Financial Statements comprise the Financial Statements of the Parent company and its subsidiaries for the years ended 31st March, 2026 and 31st March, 2025 .

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
(b) Exposure, or rights, to variable returns from its involvement with the investee, and
(c) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) The contractual arrangement with the other vote holders of the investee
(b) Rights arising from other contractual arrangements
(c) The Group's voting rights and potential voting rights
(d) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial information from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial information in preparing the consolidated financial information to ensure conformity with the group's accounting policies.

Consolidation Procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated Statement of Profit and Loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group. Total comprehensive income of the subsidiaries is attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any noncontrolling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind AS's). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture

Following subsidiaries, which are incorporated in India, have been considered in the preparation of Consolidated Financial Statements:

Name of the Subsidiary	**Percentage of Holding**	
	As at 31st March 2026	As at 31st March 2025
Sai Machine Tools Private Limited [Subsidiary Company]	100.00%	100.00%
Chemerix Life Sciences Private Limited [Step Down Subsidiary Company]	100.00%	100.00%

1B.3 **Basis of Measurement**

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for the Plan assets under Defined Benefit Plans which have been measured at fair value. The accounting policies have been consistently applied by the Group unless otherwise stated.

1B.4 **Functional and Presentation Currency**

These Consolidated Financial Statements have been prepared and presented in Indian Rupees (INR), which is also the Group's functional currency.

1B.5 **Rounding Off**

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

1B.6 **Summary of Significant Accounting Policies**

1B.6.1 Property, Plant and Equipment (PPE)

(a) Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any other cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances'.

(b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

(c) Depreciation on Property, Plant and Equipment is provided by parent company and subsidiary company on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, whereas Depreciation on Property, Plant and Equipment by the Unincorporated subsidiary has been provided on the rates prescribed by the Income-Tax Rules, 1962. If, significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of Property, Plant and Equipment.

(d) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognised.

(f) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

(g) The Company has adopted the cost model of subsequent recognition to measure the Property, Plant and Equipment. Consequently, all Property, Plant and Equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

1B.6.2 Intangible Assets

(i) Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

(ii) The useful lives of intangible assets are assessed as either finite or indefinite.

(iii) Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iv) An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognized.

1B.6.3 Depreciation and Amortisation

(i) Depreciation on Property, Plant and Equipment is provided by Parent Company on the straight line method and Subsidiary Companies by Written down value method in the manner prescribed under Schedule II to the Companies Act, 2013.

(ii) Depreciation on addition to Property, Plant and Equipments in case of parent and subsidiary company are provided on pro-rata basis from the date of assets are ready for intended use. Depreciation on sale/discarded from Property, Plant and Equipments are provided for up to the date of sale, deduction or discard of pro-rata as the case may be.

(iii) Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iv) The useful live of PPE Assets are estimated as follows:

S.No	Type of Asset	Schedule II Life (years)	Useful Lives
1	Furniture & Fixtures	10	10
2	Plant & Machineries	9-15	9-15
3	Other Machineries	15	15
4	Earth Moving Equipments	9	9
3	Electrical Fittings & Equipments	15	15
4	Office/Electric Equipments	5	5
5	Vehicles	8	8
6	Computers	3	3

(v) The useful live of intangible assets are estimated as follows:

Type of Asset	Schedule II Life (years)	Useful Lives
Software	5	5

1B.6.4 Capital Work-in-Progress

(a) Expenditure incurred on assets under construction (including a project) is carried at cost under 'Capital Work-in-Progress'. Such costs comprises purchase price of asset including import duties and non-refundable taxes and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and after deducting trade discounts and rebates.

(b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

(c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

1B.6.5 Impairment of Non-Financial Assets - Property, Plant and Equipment

(a) The Company and its Susbsidiaries assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

(b) An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

(d) Intangible assets with indefinite useful lives are tested for impairment annually at the end of the financial year at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

1B.6.6 Leases

The Group as a lessee

(a) The Group's lease asset classes primarily consist of leases for land and building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether :

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) the Group has the right to direct the use of the asset.

(b) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

(c) At the date of commencement of the lease, the Group recognizes a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

(d) The lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

(e) The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

(f) ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

(g) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

(h) Lease liability and ROU assets have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

(a) The Group has not entered into any material lease contract in the capacity of "Lessor".

1B.6.7 Financial Instruments

(a) Financial Assets

(i) Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value, are adjusted to the fair value, through profit and loss, on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the 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.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the 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.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

(iii) Reclassification of Financial Assets

Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Consolidated Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in ‘Other Comprehensive Income’. However, dividend on such equity investments are recognised in Consolidated Statement of Profit and loss when the company’s right to receive payment is established.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Group uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Group applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(b) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Consolidated Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Derivative financial instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

(i) Cash flow hedge

The Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Consolidated Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Consolidated Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Consolidated Statement of Profit and Loss.

(ii) Fair Value Hedge

The Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Consolidated Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Consolidated Statement of Profit and Loss over the period of maturity.

(d) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(e) Modification

A modification of a financial asset or liabilities occurs when the contractual terms governing the cash flows of a financial asset or liabilities are renegotiated or otherwise modified between initial recognition and maturity of the financial instruments. Any gain/ loss on modification is charged to consolidated statement of profit and loss.

(f) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the consolidated balance sheet when, and only when, the Group has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1B.6.8 Inventories

(a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

(b) Cost of stores and spares, packing materials, trading products and other products are determined at Cost on FIFO basis

1B.6.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term deposits with banks with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value.

1B.6.10 Provisions, Contingent Liabilities and Contingent Assets

(a) Provisions are recognised when the Group has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management's estimate of the amount required to settle the obligation at the consolidated balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

(b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(c) Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management's estimate.

(d) Contingent assets are not recognized but are disclosed in the financial statements only when inflow of economic benefits is probable.

1B.6.11 Operating Cycle

(a) The Group presents its assets and liabilities in the consolidated balance sheet based on current/non-current classification which is based upon the Group's operating cycle. The Group has identified twelve months as its operating cycle.

(b) An asset is treated as current when it is:

(i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
(ii) Held primarily for the purpose of trading;
(iii) Expected to be realized within twelve months after the reporting period; or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

(c) A liability is treated as current when :

(i) It is expected to be settled in normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(d) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1B.6.12 Revenue from Operations

(a) Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

(b) Revenue from sale of goods is measured at the fair value of the consideration received or receivable after taking into account contractually defined terms of payment and excluding trade discounts, volume rebates and taxes or duties collected on behalf of the Government such as Goods and Services Tax [GST].

(c) The Group does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

1B.6.13 Other Income

(a) Interest Income

For all Debt Instruments measured either at Amortized Cost or at Fair Value through Other Comprehensive Income, interest income is recorded using the Effective Interest Rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

(b) Dividend Income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

1B.6.14 Government Grants

(i) The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to assets are presented by deducting the grant from the carrying amount of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

(ii) Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

(iii) When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

1B.6.15 Employee Benefits Expense

(a) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(b) Post-Employment Benefits - Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund and ESIC Fund. The Group recognises contribution payable to the provident fund scheme and ESIC fund scheme, as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to that extent.

(c) Post-Employment Benefits - Defined Benefits Plans

(i) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the provisions of the Payment of Gratuity Act, 1972.

(iii) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the governing Income-Tax authorities.

(iv) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method , with Actuarial Valuations and spread over the period during which the benefit is expected to be derived from employees' services.

(v) Re-measurements of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

1B.6.16 Finance Cost

(a) Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

(b) Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(c) All other borrowing costs are charged to the Consolidated Statement of Profit and Loss for the period for which they are incurred.

1B.6.17 Income Taxes

(a) Income-Tax expense comprises of current and deferred income tax. Income tax expense is recognised in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income or Equity.

(b) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

(c) Deferred tax is recognised 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.

(d) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(e) Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

(f) Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

1B.6.18 Foreign Currency Transactions and Translations

(a) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

(b) Exchange differences arising on settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

(c) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Consolidated Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

1B.6.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of shares issued during the year including bonus issue.

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 are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

1B.6.20 Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

1B.6.21 Consolidated Statement of Cash Flows

(a) <u>Cash and Cash equivalents</u>

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) The Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 on 'Statement of Cash Flows'.

NOTE - 1C - CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1C.1 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, Plant and Equipment / Intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

1C.2 Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1C.3 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1C.4 Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

1C.5 Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

NOTE - 1D - Standards Notified but Not Yet Effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During year ended March 31st, 2026 MCA has not notified any new standards or amendments to the existing standards that are not yet effective.

SMT ENGINEERING LIMITED & IT'S SUBSIDIARIES
[CIN - L33120MP1992PLC080093]

Consolidated Statement of Changes in Equity

A. **Equity Share Capital**

[Amount in Lakhs]

Particulars	Number of Shares	Amount
Balance as at 1st April, 2024	36,75,000	367.50
Changes in equity share capital during the year	1,28,45,000	1,284.50
Balance as at 31st March, 2025	1,65,20,000	1,652.00
Changes in equity share capital during the year	15,50,000	155.00
Balance as at 31st March, 2026	1,80,70,000	1,807.00

B. **Other Equity**

For the year ended 31st March, 2025

Particulars	Reserve and Surplus				Other Comprehensive Income	Total Other
	Securities Premium	General Reserve	Gain on Bargain Purchase	Retained Earnings		
Balance at the beginning of reporting period as at 1st April, 2024	-	105.21	-	231.12	53.40	389.73
Changes in accounting policies/prior period errors	-	-	-	-	-	-
Balance at the beginning of reporting period as at 1st April, 2024	**-**	**105.21**	**-**	**231.12**	**53.40**	**389.73**
Profit for the financial year 2024-25	-	-	-	246.64	-	246.64
Fresh Issue of Equity Shares	3,704.85	-	-	-	-	3,704.85
Addition on account of business combination	-	-	403.79	-	-	403.79
Transfereed to Retained Earnings	-	-	-	102.39	(102.39)	-
Adjustment on account of sale of associate shares	-	-	-	(163.18)	-	(163.18)
Other comprehensive income for the financial year 2024-25	-	-	-	-	48.99	48.99
Total comprehensive income for the financial year 2024-25	**3,704.85**	**-**	**403.79**	**185.84**	**(53.40)**	**4,241.08**
Balance at the end of reporting period as at 31st March, 2025	**3,704.85**	**105.21**	**403.79**	**416.96**	**-**	**4,630.81**

For the year ended 31st March, 2026

Particulars	Reserve and Surplus				Other Comprehensive Income	Total Other
	Securities Premium	General Reserve	Gain on Bargain Purchase	Retained Earnings		
Balance at the beginning of reporting period as at 1st April, 2025	3,704.85	105.21	403.79	416.96	-	4,630.81
Changes in accounting policies/prior period errors	-	-	-	-	-	-
Balance at the beginning of reporting period as at 1st April, 2025	**3,704.85**	**105.21**	**403.79**	**416.96**	**-**	**4,630.81**
Profit for the financial year 2025-26	-	-	-	2,308.01	-	2,308.01
Fresh Issue of Equity Shares	3,328.21	-	-	-	-	3,328.21
Other comprehensive income for the financial year 2025-26	-	-	-	-	(26.40)	(26.40)
Tax impacts of items reclassified in other comprehensive income	-	-	-	-	6.64	6.64
Total comprehensive income for the financial year 2025-26	**3,328.21**	**-**	**-**	**2,308.01**	**(19.76)**	**5,616.46**
Balance at the end of reporting period as at 31st March, 2026	**7,033.06**	**105.21**	**403.79**	**2,724.97**	**(19.76)**	**10,247.28**

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report of even date attached

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board of Directors

Devendra Bansal
Partner
Membership No. 078057
UDIN - 26078057UWYUMZ2807

(Mohd. Shanawaz Shekh)
Company Secretary

(Ajay Jaiswal)
Chief Financial Officer & Managing Director
DIN : 01754887

(Vishal Jaiswal)
Whole-time Director
DIN : 01741062

Indore, May 29th, 2026

Indore, May 29th, 2026

Note - 2 - Property, Plant and Equipment

[Amount in Lakhs]

Particulars	Land	Factory Building	Plant and Machineries	Office	Furniture & Fixtures	Vehicles	Computers	Total
Cost/ Deemed Cost								
Balance as at April 1st, 2024	796.93	61.79	484.87	22.53	12.05	89.02	38.42	1,505.60
Additions	-	-	51.90	30.12	0.64	18.50	14.65	115.81
Transfer	-	279.19	-	-	-	-	-	279.19
Disposal	(7.73)	(0.73)	-	-	-	(0.28)	-	(8.75)
Balance as at March 31st, 2025	**789.20**	**340.25**	**536.77**	**52.65**	**12.70**	**107.24**	**53.07**	**1,891.86**
Depreciation								
Balance as at April 1st, 2024	-	3.11	38.15	3.86	0.86	6.10	14.77	66.85
Depreciation charge for the year	-	4.57	34.79	7.67	1.03	12.04	13.26	73.37
Disposal	-	-	-	-	-	(0.07)	-	(0.07)
Balance as at March 31st, 2025	**-**	**7.68**	**72.94**	**11.53**	**1.89**	**18.07**	**28.04**	**140.15**
Net Book Value								
Balance as at March 31st, 2025	789.20	332.56	463.83	41.12	10.80	89.17	25.04	**1,751.71**

[Amount in Lakhs]

Particulars	Land	Factory Building	Plant and Machineries	Office	Furniture & Fixtures	Vehicles	Computers	Total
Cost/ Deemed Cost								
Balance as at April 1st, 2025	789.20	340.25	536.77	52.65	12.70	107.24	53.07	1,891.86
Additions	-	-	610.51	15.86	0.72	-	47.23	674.32
Transfer	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Balance as at March 31st, 2026	**789.20**	**340.25**	**1,147.28**	**68.51**	**13.42**	**107.24**	**100.30**	**2,566.18**
Depreciation								
Balance as at April 1st, 2025	-	7.68	72.94	11.53	1.89	18.07	28.04	140.15
Depreciation charge for the year	-	12.01	38.75	8.46	1.06	12.27	16.53	89.08
Disposal	-	-	-	-	-	-	-	-
Balance as at March 31st, 2026	**-**	**19.70**	**111.69**	**19.99**	**2.95**	**30.35**	**44.57**	**229.23**
Net Book Value								
Balance as at March 31st, 2026	789.20	320.55	1,035.59	48.53	10.47	76.90	55.73	**2,336.95**

Notes :

1. The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the concerning entity of the Group.
2. The Group has neither acquired any property, plant and equipment through business combinations nor revalued any of its property, plant and equipment during year ended 31st March, 2026 and 31st March, 2025.
3. For properties given as securities against borrowings refer Notes 15 & 19.
4. Nil amount of impairment loss is recognised.
5. The group has not capitalised any expense of revenue nature to the cost of property, plant and equipment
6. On transition to Ind AS (i.e. 1st April, 2023) the company has elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use the carrying value as deemed cost of property, plant and equipment.

Note - 3 - Capital work-in-progress

[Amount in Lakhs]

Particulars	Building	Plant & Machinery	Furniture & Fixtures	Computer & Laptop	Preoperative Expenses	Total
Cost/ Deemed cost						
Balance as at April 1st, 2024	217.60	174.83	3.27	0.45	67.91	464.07
Additions	219.03	291.04	15.73	5.72	7.87	539.39
Transfer	(203.41)	-	-	-	(75.78)	(279.19)
Disposal	-	(461.82)	(19.00)	(6.17)	-	(486.99)
Balance as at March 31st, 2025	**233.22**	**4.05**	**-**	**-**	**0.00**	**237.27**

[Amount in Lakhs]

Cost/ Deemed cost						
Balance as at April 1st, 2025	233.22	4.05	-	-	0.00	237.27
Additions	1,129.74	550.76	-	12.57	197.74	1,890.81
Transfer	197.74	-	-	-	(197.74)	-
Disposal	-	-	-	-	-	-
Balance as at March 31st, 2026	**1,560.71**	**554.81**	**-**	**12.57**	**-**	**2,128.08**

Note - 3.1 - Capital work-in-progress ageing schedule

As at 31st March, 2025 [Amount in Lakhs]

Particulars	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	237.27	-	-	-	237.27
Projects temporarily suspended	-	-	-	-	-
TOTAL	237.27	-	-	-	237.27

As at 31st March, 2026 [Amount in Lakhs]

Particulars	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	1,890.81	237.27	-	-	2,128.08
Projects temporarily suspended	-	-	-	-	-
TOTAL	1,890.81	237.27	-	-	2,128.08

Note - 4 - Right-of-Use Assets

[Amount in Lakhs]

Particulars	Land	Total
Gross carrying value		
Balance as at April 1st, 2024	73.85	73.85
Additions	-	-
Disposal	-	-
Balance as at March 31st, 2025	**73.85**	**73.85**
Depreciation		
Balance as at April 1st, 2024	1.72	1.72
Depreciation charge for the year	1.72	1.72
Disposal	-	-
Balance as at March 31st, 2025	**3.44**	**3.44**
Net Book Value		
Balance as at March 31st, 2025	**71.41**	**70.41**

[Amount in Lakhs]

Gross carrying value		
Balance as at April 1st, 2025	73.85	73.85
Additions	798.29	798.29
Disposal	-	-
Balance as at March 31st, 2026	**872.14**	**872.14**
Depreciation		
Balance as at April 1st, 2025	3.44	3.44
Depreciation charge for the year	4.41	4.41
Disposal	-	-
Balance as at March 31st, 2026	**7.84**	**7.84**
Net Book Value		
Balance as at March 31st, 2026	**864.30**	**864.30**

Notes :

1 Lease deeds of all the immovable properties included in Right-of-use assets are held in the name of the concerning entity of the Group.

2	The Group has not revalued any of its Right-of-use assets during the year ended 31st March, 2026 and 31st March, 2025.
3	During the previous year, the Group has capitalized Interest aggregating to Rs.15,92,136/- attributable to its Right-of-use Assets.
4	Nil amount of impairment loss is recognised.

Note - 5 - Other Intangible assets

[Amount in Lakhs]

Particulars	Computer Software	Total
Gross carrying value		
Balance as at April 1st, 2024	12.27	12.27
Additions	2.28	2.28
Transfer	-	-
Disposal	-	-
Balance as at March 31st, 2025	**14.55**	**14.55**
Depreciation		
Balance as at April 1st, 2024	3.12	3.12
Depreciation charge for the year	4.61	4.61
Disposal	-	-
Balance as at March 31st, 2025	**7.74**	**7.74**
Net Book Value		
Balance as at March 31st, 2025	**6.82**	**6.82**
		[Amount in Lakhs]
Gross carrying value		
Balance as at April 1st, 2025	14.55	14.55
Additions	34.70	34.70
Transfer	-	-
Disposal	-	-
Balance as at March 31st, 2026	**49.26**	**49.26**
Depreciation		-
Balance as at April 1st, 2025	7.74	7.74
Depreciation charge for the year	8.13	8.13
Disposal	-	-
Balance as at March 31st, 2026	**15.87**	**15.87**
Net Book Value		
Balance as at March 31st, 2026	**33.39**	**33.39**

Notes:

1	The Group has neither acquired any Intangible assets through business combinations nor revalued any of its intangible assets.
2	The Group is not having any Intangible Assets which are under development.
3	Nil amount of borrowing costs is capitalised.
4	Nil amount of impairment loss is recognised.
5	On transition to Ind AS (i.e. 1st April, 2023) the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use the carrying value as deemed cost of Intangible Assets.

NOTE - 6 - NON-CURRENT INVESTMENTS

[Amount in Lakhs]

Particulars		As at 31st March, 2026	As at 31st March, 2025
A) **Quoted Investments**			
Equity Shares in Listed Companies		0.34	0.34
	(A)	0.34	0.34
B) **Investment in Partnership firm**		299.00	-
	(B)	299.00	-
C) **Others**			
Gold Coins		2.83	2.83
RBI Gold Bonds		0.30	0.30
	(C)	3.13	3.13
TOTAL	(A+B+C)	302.47	3.47

NOTE - 6.01 - QUOTED INVESTMENTS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Equity Instruments in Listed Companies		
-Shares in Punjab National Bank		
-Number of Equity Shares	895	895
-Face Value per Share	10	10
-Market Value per Share	101	96
-Total Market Value	0.90	0.86

NOTE - 6.02 - INVESTMENTS IN EQUITY INSTRUMENTS

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Aggregate amount of Quoted Investments	0.34	0.34
Aggregate amount of Unquoted Investments	302.13	3.13
Aggregate amount of Impairment in Value of Quoted Investments	-	-
Aggregate amount of Impairment in Value of Unquoted Investments	-	-

NOTE - 6.03 - Investments in Partnership Firm

[Amount in Lakhs]

Sno.	Particulars	Share Ratio	As at 31st March, 2026	As at 31st March, 2025
1	Softcare Solutions	6.00%	299.00	-
	TOTAL		299.00	-

Note - 7 - Other non-current financial assets

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	47.26	24.45
Balances with banks		
- in deposit accounts with more than twelve months maturity	1,289.49	50.22
Rentention Money Held by Customers	667.56	668.44
TOTAL	2,004.31	743.11

Notes:

(i) Entire balance with banks in deposit accounts are held as margin money against bank guarantees

(ii) Refer Note 44 on Financial instruments for determination of fair value.

Note - 8 - Inventories

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025

Raw Materials	4,758.62	2,736.86
Work-In-Progress	3,531.72	2,154.84
Finished Goods	2,396.47	1,822.51
Stores and Spares	15.96	6.25
TOTAL	10,702.76	6,720.46

Notes:

(i) Amount of inventories recognised as an expense have been disclosed in Note 30.

(ii) For inventories hypothecated as security with banks against working capital loans, refer Note 19 for details.

Note - 9 - Trade receivables

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured, considered good	-	-
Unsecured, considered good	3,403.85	2,138.68
Trade receivables which have significant increase in credit risk	-	-
Less : Impairment for trade receivables	-	-
Trade receivables - credit impaired	-	-
TOTAL	3,403.85	2,138.68

Notes:

(i) No impairment for trade receivables have been made for expected credit loss as per the judgment of the management.

(ii) Trade Receivables have been hypothecated with Banks against working capital loans, refer Note 19 for details.

(iii) Refer Note 42 for related party details.

(iv) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Further, trade receivables due from firms or private companies in which any director is a partner, a director or a member amounts to Rs. 5.20 Crores, Rs.10.24 Crores as at 31st March, 2026, 31st March, 2025 respectively.

Note - 9.1 - Trade receivables ageing schedule as at 31st March, 2026

[Amount in Lakhs]

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables						
- considered good	1,816.70	302.52	861.35	121.93	301.36	3,403.85
- which have significant increase in credit risk	-	-		-	-	-
Less : Impairment for trade receivables	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
(ii) Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
TOTAL	1,816.70	302.52	861.35	121.93	301.36	3,403.85

Note - 9.2 - Trade receivables ageing schedule as at 31st March, 2025

[Amount in Lakhs]

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables						
- considered good	1,446.88	222.68	112.24	115.90	240.97	2,138.68
- which have significant increase in credit risk	-	-		-	-	-
Less : Impairment for trade receivables	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
(ii) Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
TOTAL	1,446.88	222.68	112.24	115.90	240.97	2,138.68

Note - 10 - Cash and cash equivalents

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with banks in current accounts	96.17	2,492.16
Cash on hand	30.22	18.07
Fixed deposit receipts held against bank guarantees [with maturity less than 3 months]	1.03	0.57
TOTAL	127.42	2,510.81

Note - 11 - Bank balances other than cash and cash equivalents

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Fixed deposit receipts held against bank guarantees [with maturity between 3 to 12 months]	995.57	9.23
TOTAL	995.57	9.23

Note - 12 - Other current assets
[Unsecured, considered good]

[Amount in Lakhs]

Particulars			As at 31st March, 2026	As at 31st March, 2025
A.	**Capital Advances**		2,147.17	210.14
		(A)	2,147.17	210.14
B.	**Advances other than capital advances**			
	Others			
	- Advance to Suppliers		886.09	1,805.31
	- Advance for Expenses		446.90	331.25
	- Advance to Employees		37.91	49.53
		(B)	1,370.90	2,186.10
C.	**Others**			
	Rentention Money Held by Customers		14.78	14.78
	Balances with Statutory Authorities		20.90	20.40
	Insurance Claim Receivables		-	4.62
	Prepaid Expenses		82.46	75.30
	Vat Subsidy Payable		29.54	-
	GST Input Tax Credit Entitlements		106.74	-
		(C)	254.43	115.10
	TOTAL	(A+B+C)	3,772.51	2,511.35

Notes:

(i) None of the advance or receivable has been considered as having significant increase in credit risk or credit impaired loss.

(ii) Refer Note 42 for related party details.

Note - 13 - Equity Share capital

A. **Authorised and paid-up share capital**

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs.10/- each	1,81,00,000	1810.00	1,70,00,000	1700.00
Issued, subscribed and fully paid-up				
Equity Shares of Rs. 10/- each	1,80,70,000	1807.00	1,65,20,000	1652.00
TOTAL TOTAL	1,80,70,000	1807.00	1,65,20,000	1652.00

Notes:

(i) During the year, the company has made Equity shares issued on the basis of preferential allotment of 15,50,000 Equity shares with a face value of Rs. 10/- each at an issue price of Rs. 225/- per share.

B. **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,65,20,000	1652.00	36,75,000	367.50
Shares issued during the year on the basis of preferential allotment	15,50,000	155.00	1,28,45,000	1284.50
Shares bought back during the year	-	0.00	-	-
Shares outstanding at the end of the year	1,80,70,000	1807.00	1,65,20,000	1652.00

C. **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ajay Jaiswal	36,01,492	19.93%	35,68,902	21.60%
Vishal Kumar Jaiswal	34,92,964	19.33%	34,92,964	21.14%
Ashok Jaiswal	28,39,541	15.71%	28,39,541	17.19%
Poonam Jaiswal	10,26,113	5.68%	10,26,113	6.21%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. **Details of shares held by promoters as defined in the Companies Act, 2013 as at 31st March, 2026 and as at 31st March, 2025**

Name of the Promoter	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
Shri Ashok Jaiswal	28,39,541	15.71%	-	-	15.71%
Shri Ajay Jaiswal	36,01,492	19.93%	-	-	19.93%
Smt. Shikha Jaiswal	5,56,276	3.08%	-	-	3.08%
Shri Vishal Jaiswal	34,92,964	19.33%	-	-	19.33%
Smt. Niharika Jaiswal	6,70,338	3.71%	-	-	3.71%
Smt. Poonam Jaiswal	10,26,113	5.68%	-	-	5.68%
Ashish Chhawchharia	-	-	30,577	0.19%	(0.19%)
Kshitiz Chhawchharia	-	-	30,576	0.19%	(0.19%)
Total	1,21,86,724	67.44%	61,153	0.38%	67.07%

E. **Details of shares held by promoters as defined in the Companies Act, 2013 as at 31st March, 2025 and as at 31st March, 2024**

Name of the Promoter	As at 31st March, 2025		As at 31st March, 2024		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
Sushil Kumar Chhawchharia HUF	-	-	2,73,355	7.44%	(7.44%)
Ashish Chhawchharia	30,577	0.19%	1,38,375	3.77%	(3.58%)
Ashish Chhawchharia HUF	-	-	3,51,643	9.57%	(9.57%)
Kshitiz Chhawchharia	30,576	0.19%	1,40,000	3.81%	(3.62%)
Kshitiz Chhawchharia HUF	-	-	3,54,650	9.65%	(9.65%)
Avon Credit Private Limited	-	-	14,93,130	40.63%	(40.63%)
Total	61,153	0.38%	27,51,153	74.86%	(74.49%)

F. **Rights, Preferences and restrictions attached to equity shares**

The company has issued only one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

Note - 14 - Other Equity

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
General reserve	2.45	2.45
General reserve on amalgamation	102.76	102.76
Securities Premium	7033.06	3704.85
Retained earnings	2705.22	416.96

Gain on Bargain purchase	403.79	403.79
TOTAL	10247.28	4630.81

Note - 14.1 - Nature and purposes of reserves

(a) **General reserve**

General reserve is referred to as the reserve fund that is created by keeping aside a part of profit earned by the business during the course of an accounting period for fulfilling various business needs like meeting contingencies, offsetting future losses, enhancing the working capital, paying dividends to the shareholders, etc.

The details of movement in General reserve is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	2.45	2.45
Add : Amount transferred from Retained earnings	0.00	0.00
Balance at the end of the year	2.45	2.45

(b) **General reserve on Amalgamation**

A general reserve on amalgamation is the retained profit of the transferor company that is carried forward to the transferee company

The details of movement in General Reserve on Amalgamation is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	102.76	102.76
Add : Amount transferred from Retained earnings	0.00	0.00
Balance at the end of the year	102.76	102.76

(c) **Securities Premium**

The amount received in excess of face value of the equity shares is recognized in Securities Premium. The amount of securities premium can be utilized only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

The details of movement in Securities Premium Reserve is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	3,704.85	-
Add : Premium on issue of Equity Shares	3,332.50	3,725.28
	7,037.35	3,725.28
Less: Utilized during the year	4.29	20.43
Balance at the end of the year	7,033.06	3,704.85

(d) **Retained earnings**

Retained Earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to

The details of movement in Retained earnings is as below:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	416.96	231.12
Add : Profit for the year attributable to the owners of the Company	2,308.01	246.64
	2,724.97	477.75
Add: Transfereed from Other Comprehensive Income	-	102.39
	2,724.97	580.14
Less : Adjustment on account of sale of associate shares	-	163.18
	2,724.97	416.96
Add : Other Comprehensive Income		
- Actuarial (Gain)/Losses due to Remeasurement of Defined Benefit Obligations	(26.40)	-

- Tax Impacts of Items Reclassified in Other Comprehensive Income	6.64	-
	2,705.22	416.96

(e) **Gain on Bargain Purchase**

During the year ended 31st march 2025 the Parent company has made an investment in Sai Machine Tools Private Limited. Pursuant to the acquisition the, Parent Company has acquired the total assets of the company at much lower price than its cost of acquisition resulting gain on bargain purchase

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	403.79	-
Add : On account of business combination	-	403.79
Balance at the end of the year	403.79	403.79

Note - 15 - Non-current borrowings

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Non Current	Current	Non Current	Current
A **Term loans**				
Secured				
From Banks	3,378.46	365.28	412.42	274.73
Unsecured				
From Banks	90.29	52.88	-	-
(A)	3,468.75	418.16	412.42	274.73
B. **Loans and advances from related parties**				
Unsecured				
From Directors	139.76	-	830.67	-
Inter Corporate Loans	-	-	298.45	-
Corporate Deposits	70.00	-	-	-
(B)	209.76	-	1,129.11	-
TOTAL (A+B)	3,678.51	418.16	1,541.54	274.73

Notes:

(i) The current portion of the borrowings represent the principal amount of loan, which is repayable in next twelve months and the same has been classfied under Note 19 'Short term borrowings' .

(ii) Refer Note 44 for information about liquidity risk.

(iii) Term loans were applied for the purpose for which the loans were obtained.

(iv) Refer Note 42 for related party details.

Note - 15.1 - Summary of secured and unsecured loans as follows:

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured long term borrowings	3,378.46	412.42
Secured short term borrowings	365.28	274.73
Unsecured long term borrowings	352.93	1,129.11
TOTAL	4,096.66	1,816.27

Nature of Security and terms of repayment for Long Term Secured Borrowings:

[Amount in Lakhs]

Sno.	Bank Name	Nature of Loan	Balance as on 31st March, 2026		Balance as on 31st March, 2025		Interest Rate	Terms of Repayment	Nature of Security
			Long Term	Current Maturity	Long Term	Current Maturity			
A.	**Secured Term Loans**								
1	Bank of Baroda [A/c No. 72950600001600]	Car Loan (Tata Harrier)	9.69	2.73	12.34	2.49	8.15% p.a. [P.Y. 9.25%.]	Repayable in 84 equated monthly Installments of Rs. 31,223/- each commencing from November, 2022. Last installment due in October, 2029.	Car Loan of Rs. 20 Lacs from Bank of Baroda is secured by way of hypothecation of Car.
2	Mahindra & Mahindra Financial Services Ltd. [A/c No.9866843]	Car Loan (XUV-400 EV)	6.01	2.27	7.95	2.24	8.75% p.a. [P.Y 9.52%]	Repayable in 60 equated monthly Installments of Rs. 26,200/- each commencing from April, 2024. Last installment due in March, 2029.	Car Loan of Rs. 12.5 Lacs from Mahindra Finance (which was subsequently taken over by Punjab National Bank) is secured by way of hypothecation of Car.
3	Punjab National Bank [A/c No. 069900CN00000133]	Term Loan	328.80	92.31	58.24	61.54	9.10% p.a. [P.Y 9.50%]	Repayable in 84 equal monthly Installments of Rs. 7,69,231/- each, alongwith interest commencing from March, 2025 (along with moratorium period of 5 months). Last installment due in January, 2032. [Loan of Rs 482.65 Lakhs has only been disbursed till the reporting date by Punjab National Bank]	Working Capital Term Loan of Rs. 600 Lakhs from Punjab National Bank is secured by way of charge on hypothecation of Plant & Machinary purchased and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.
4	Punjab National Bank [A/c No. 069900CN00000087]	Working Capital Term Loan	(0.00)	12.38	11.36	30.00	9.10% p.a. [P.Y. 9.50%]	Repayable in 18 equal monthly Installments of Rs. 2,50,000/- each,alongwith interest. Commencing from March, 2025. Last installment due in August, 2026.	Working Capital Term Loan of Rs. 45 Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.
5	Punjab National Bank [A/c No. 069900CN00000115]	Term Loan	37.74	17.54	54.84	17.54	9.10% p.a. [P.Y. 9.50%]	Repayable in 52 equal monthly Installments of Rs. 1,46,154/- each, alongwith interest. Commencing from March, 2025. Last installment due in June, 2029.	Term Loan of Rs. 74.95 /- Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal. Along with a colaterall security of immovable property held by Mr. Ashok Jaiswal and Mrs. Vandana Jaiswal.
6	Punjab National Bank [A/c No. 069900CN00000096]	Working Capital Term Loan	99.56	80.10	180.48	80.10	9.10% p.a. [P.Y. 9.50%]	Repayable in 40 equal monthly Installments of Rs. 6,67,500/- each alongwith interest. Commencing from March, 2025. Last installment due in June, 2028.	Working Capital Term Loan of Rs. 266.67 /- Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.
7	Punjab National Bank [A/c No.069900CN00000106]	Working Capital Term Loan	-	42.84	46.38	47.00	9.10% p.a. [P.Y. 9.50%]	Repayable in 24 equal monthly Installments of Rs. 3,91,667/- each alongwith interest. Commencing from March, 2025. Last installment due in Feburary, 2027.	Working Capital Term Loan of Rs. 94 /- Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.

Sno.	Bank Name	Nature of Loan	Balance as on 31st March, 2026		Balance as on 31st March, 2025		Interest Rate	Terms of Repayment	Nature of Security
			Long Term	Current Maturity	Long Term	Current Maturity			
8	Punjab National Bank [A/c No.069900CN00000124]	Term Loan	27.33	12.69	40.83	12.69	9.10% p.a. [P.Y. 9.50%]	Repayable in 52 equal monthly Installments of Rs. 1,05,769/- each alongwith interest. Commencing from March, 2025. Last installment due in June, 2029.	Term Loan of Rs. 54.48 /- Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.
9	Punjab National Bank [A/c No.069900CN00000078] [A/c No.069900CN00000078]	Working Capital Term Loan	-	-	-	21.13	9.10% p.a. [P.Y 9.40%]	Repayable in 5 equal monthly Installments of Rs. 4,20,000/- each alongwith interest. Commencing from March, 2025. Last installment due in July, 2025.	Working Capital Term Loan of Rs. 21 /- Lakhs from Punjab National Bank is secured by way of Hypothecation of entire current assets comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets and entire Plant & Machinery, and personal guarantee of Shri. Ashok Jaiswal , Shri Ajay Jaiswal , Shri Vishal Jaiswal and Smt. Vandana Jaiswal.
10	ICICI Bank Ltd. [A/c No. TBIND00007570576]	Immovable Property Term Loan	400.63	12.42	-	-	9.55% p.a. [P.Y NIL]	Repayable in 180 equal monthly Installments of Rs. 4,46,210/- each alongwith interest. Commencing from November, 2025. Last installment due in October , 2040.	Term Loan of Rs. 430 /- Lakhs from ICICI Bank is secured by way of Hypotecation over Land situated at Plot No. A-03C, Smart Industrial Township, Sector -7, Pithampur, Indore & personal guarantee of Mr. Ajay Jaiswal, Mr. Ashok Jaiswal, Mr.Vishal Jaiswal, Mrs.Shikha Jaiswal, Mrs.Niharika Jaiswal
11	Punjab National Bank [A/c No.069900CN00000142]	Term Loan	2,468.68	90.00	-	-	8.75% p.a. (P.Y. Nil)	Repayable in 120 monthly Installments of Rs. 15,00,000/- each alongwith interest. Commencing from October, 2026. Last installment due in September,2036. [Loan of Rs 2558.68 Lakhs has only been disbursed till the reporting date by Punjab National Bank]	Term Loan of Rs. 4000 Lakhs from Punjab National Bank is secured by way of equitable mortgage of leasehold land at plot No.70 & 71 at Industrial township DMIC, Vikram Udyogpur, District Ujjain, M.P. admeasuring 39,872 sq.mtr., hypothecation over Plant & Machinery, furniture & fixtures & all other movable fixed assets of the company both present and future and Pesonal guarantee of all the directors & promoters and corporate guarantee of Sai Machine Tools Pvt.Ltd. and SMT Engineering Ltd. (formerly known as Adarsh Mercantile Ltd.)
	TOTAL (A)		**3,378.46**	**365.28**	**412.42**	**274.73**			

B. **Unsecured Term Loans**

Sno.	Bank Name	Nature of Loan	Long Term (2026)	Current Maturity (2026)	Long Term (2025)	Current Maturity (2025)	Interest Rate	Terms of Repayment	Nature of Security
11	ICICI BANK [A/c No. UPIND00051553029]	Business Term Loan	67.74	18.69	-	-	13.75% p.a. [P.Y NIL]	Repayable in 48 equal monthly Installments of Rs. 2,58,807/- each alongwith interest. Commencing from November, 2025. Last installment due in October, 2029.	-
12	Kotak Mahindra Bank [A/c No. CSG-155882217]	Business Term Loan	22.55	34.19	-	-	13.75% p.a. [P.Y NIL]	Repayable in 24 equal monthly Installments of Rs. 3,59,211/- each alongwith interest. Commencing from October, 2025. Last installment due in September, 2027.	-
	TOTAL (B)		**90.29**	**52.88**	**-**	**-**			

Sno.	Bank Name	Nature of Loan	Balance as on 31st March, 2026		Balance as on 31st March, 2025		Interest Rate	Terms of Repayment	Nature of Security
			Long Term	Current Maturity	Long Term	Current Maturity			
GRAND TOTAL (A+B)			**3,468.75**	**418.16**	**412.42**	**274.73**			

Note - 16 - Non-current lease liabilities

[Amount in Lakhs]

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Non Current	Current	Non Current	Current
Lease liabilities for land	103.39	0.07	61.95	0.07
TOTAL	103.39	0.07	61.95	0.07

Notes:

(i) The current portion of the lease liabities represent the lease rental which is payable in next twelve months and has been classfied under Note 20 'Current lease liabilities'.

(ii) For details on the implications of application of Ind AS 116 on the financial statements, refer Note 40.

Note - 17 - Long term provisions

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
For Gratuity [refer Note 41]	77.12	31.61
TOTAL	77.12	31.61

Note - 18 - DEFFERED TAX LIABILITIES (NET)

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liabilities on account of taxable temporary differences:		
At the beginning of the year	44.27	46.24
Add : Credit / (Charge) to Consolidated Statement of Profit and Loss	192.96	(2.61)
Credit / (Charge) to Consolidated Other Comprehensive Income	(6.64)	0.65
TOTAL	230.59	44.27

Note - 18.1 - Component of deferred tax liabilities as at 31st March, 2026

[Amount in Lakhs]

Particulars	As at 1st April, 2025	Charged/(Credit) to Consolidated Statement of Profit and Loss	As at 31st March, 2026
A **Deferred tax liabilities in relation to :**			
Property, Plant and Equipment	60.53	20.28	80.81
Right-of-Use Assets	17.72	199.81	217.53
(B)	78.25	220.09	298.33
B **Deferred tax assets in relation to :**			
Lease liabilities	15.61	10.43	26.04
Retirement benefits	8.56	16.44	25.00
Remeasurement of non current borrowings	(1.40)	0.04	(1.36)
Carry Forward Losses	11.86	0.21	12.07
(A)	34.62	27.12	61.75
(A-B)	43.62	192.96	236.59

Note - 18.2 - Component of deferred tax liabilities as at 31st March, 2025

[Amount in Lakhs]

Particulars	As at 1st April, 2024	Charged/(Credit) to Consolidated Statement of Profit and Loss	As at 31st March, 2025
A **Deferred tax liabilities in relation to :**			
Property, Plant and Equipment	51.38	9.15	60.53
Right-of-Use Assets	18.15	(0.43)	17.72
(A)	69.53	9.71	78.25

B	**Deferred tax assets in relation to :**			
	Lease liabilities	15.62	(0.02)	15.61
	Retirement benefits	7.72	0.84	8.56
	Remeasurement of non current borrowings	(0.05)	(1.36)	(1.40)
	Carry Forward Losses	-	11.86	11.86
	(B)	23.29	11.33	22.77
	(A-B)	46.24	(1.61)	55.48

Note - 19 - Current borrowings
[Loans repayable on demand, secured]

[Amount in Lakhs]

Particulars		As at 31st March, 2026	As at 31st March, 2025
Working capital loans repayable on demand			
Secured			
Cash Credit Facilities from Banks	(A)	3,867.44	2,986.20
Unsecured			
From Oxyzo Financial Services	(B)	141.78	287.39
Current Maturities of Long-Term Debt	(C)	418.16	274.73
	TOTAL (A+B+C)	4,427.38	3,548.32

Notes:

(i) Cash credit facilities availed from Punjab National Bank Ltd. are secured by way of First/ Pari Passu Charge and Hypothecation of entire stock of raw materials, semi-finished and finished goods, consumables, stores and spares and other movables including book debts, outstanding monies, receivables, both present and future. The facilities as above are further secured by way of hypothecation of Machinery purchased and proposed to be purchased by the company and Personal Guarantees of Mr. Ajay Jaiswal, Mr. Vishal Jaiswal, Mrs. Niharika Jaiswal, Mrs. Shikha Jaiswal, Mr. Ashok Jaiswal and Mrs. Vanadana Jaiswal. Along with a collateral security of immovable property held by Mr. Ashok Jaiswal and Mrs. Vandana Jaiswal and the company.

Note - 20 - Current lease liabilities

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current maturities of lease liabilities	0.07	0.07
TOTAL	0.07	0.07

Note - 21 - Current trade payables

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total outstanding dues of micro enterprises & small enterprises	26.64	14.85
Total outstanding dues of creditors other than micro enterprises & small enterprises	2,483.56	2,335.92
Total outstanding disputed dues of micro enterprises & small enterprises	-	-
Total outstanding disputed dues of creditors other than micro enterprises & small enterprises	-	-
TOTAL	2,510.20	2,350.77

Note - 21.1 - Information to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group. The details of amount of princpal and interest outstanding is given below :

[Amount in Lakhs]

Particulars		As at 31st March, 2026	As at 31st March, 2025
(a)	Principal amount remaining unpaid to any supplier as at the end of accounting year	26.64	14.85

(b)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c)	Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d)	The amount of interest due and payable for the year	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note - 21.2 - Trade payables ageing schedule as at 31st March, 2026

[Amount in Lakhs]

Sno.	Particulars	Outstanding for following periods from the due date of payment				
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
1	MSME	26.64	-	-	-	26.64
2	Other than MSME	2,112.92	302.44	22.21	46.00	2,483.56
3	Disputed dues - MSME	-	-	-	-	-
4	Disputed dues - other than MSME	-	-	-	-	-
	TOTAL	2,139.56	302.44	22.21	46.00	2,510.20

Note - 21.3 - Trade payables ageing schedule as at 31st March, 2025

[Amount in Lakhs]

Sno.	Particulars	Outstanding for following periods from the due date of payment				
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
1	MSME	14.85	-	-	-	14.85
2	Other than MSME	2,103.93	50.62	109.51	71.85	2,335.92
3	Disputed dues - MSME	-	-	-	-	-
4	Disputed dues - other than MSME	-	-	-	-	-
	TOTAL	2,118.78	50.62	109.51	71.85	2,350.77

Note - 22 - Other financial liabilities

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Creditors for Capital Goods	-	88.10
Creditors for Expenses	236.74	159.45
Creditors for Job Work Charges	57.18	50.83
Advances from Customers	2,007.74	1,867.51
Security Deposits	20.96	20.96
VAT Subsidy Refundable to M.P. Commercial Tax Department (Excess Receipt)	-	16.01
TOTAL	2,322.61	2,202.85

Notes :

(i) Refer Note 42 for Related party details.

Note - 23 - Other current liabilities

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Creditors for Capital Goods	92.48	-
Creditors for Expenses	11.08	-
Statutory Liabilities	122.10	154.74
TOTAL	225.66	154.74

Notes :

(i) Statutory liabilities include liabilities for professional tax, goods and services tax, employee state insurance, entry tax & provident fund.

Note - 24 - Provisions

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
For Employee Benefits	118.88	92.62
For Others	34.95	42.73
TOTAL	153.83	135.34

Note - 25 - CURRENT TAX LIABILITIES (NET)

[Amount in Lakhs]

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Tax	966.74	402.00
Less: Advance Income-Tax, TDS & TCS Claim	71.99	46.19
TOTAL	894.75	355.81

Note - 26 - Revenue from operations

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Sales of Goods	15,936.80	2,091.18
Sale of Services	287.05	10.67
TOTAL	16,223.85	2,101.84

Note - 27 - Other income

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Interest Income	33.43	8.17
Miscellaneous Receipts	15.51	-
TOTAL	48.94	8.17

Note - 28 - Cost of material consumed

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Raw Material Consumed	11,326.31	690.47
Stores & Spares Consumed	3.61	2.93
TOTAL	11,329.91	693.40

Note - 29 - Purchase of stock in trade

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Purchase	-	713.29
TOTAL	-	713.29

Note - 30 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A. **Inventories at the begining of the year**		
Finished Goods	1,822.51	1,940.65
Work-In-Progress	2,154.84	2,294.52
Stock in Trade	-	0.71
(A)	3,977.35	4,235.89
B. **Inventories at the end of the year**		
Finished Goods	2,396.47	1,822.51
Work-In-Progress	3,531.72	2,154.84
Stock in Trade	-	-

	(B)	5,928.19	3,977.35
CHANGES IN INVENTORIES	(A-B)	(1,950.84)	258.53

Note - 31 - Employee benefits expense

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Directors' Keyman Insurance Policy	132.81	2.33
Directors' Remuneration	186.00	2.30
Salaries, Wages & Allowances	1,001.20	20.64
Contribution towards Provident Fund	40.99	0.56
Contribution towards E.S.I.C	11.32	0.16
Staff Accommodation Rent	0.91	0.10
Staff Welfare Expenses	29.60	0.78
Stipend under National Apprenticeship Promotion Scheme (NAPS)	1.74	0.15
Retirement Benefits	18.15	-
Directors' sitting fees	1.62	-
TOTAL	1,424.33	27.02

Notes :

(i) Refer Note 42 for related party details.

Note - 32 - Finance costs

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Interest Expense	370.66	5.02
Bank Guarantee Charges	4.41	0.02
Bank Stamp Duty Charges	18.39	0.19
Loan Processing and Renewal Charges	20.59	0.31
Loss from Foreign Currency Fluctuation	11.22	0.02
Interest on Lease Liabilities	9.97	-
Bank Charges & Commission	0.46	-
TOTAL	435.69	5.55

Note - 33 - Depreciation and amortisation expenses

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Depreciation on Property, Plant and Equipment	89.08	0.32
Depreciation on Right-of-Use Assets	4.41	-
Amortisation of Intangible assets	8.13	0.01
TOTAL	101.62	0.33

Note - 34 - Other expenses

[Amount in Lakhs]

Particulars		Year ended 31st March, 2026	Year ended 31st March, 2025
A.	**Operative expenses**		
	Power and Fuel Expenses	109.22	4.99
	Job Work Charges	146.63	4.18
	Contractual Labour Expenses	265.81	5.81
	Generator Expenses	4.93	-
	Factory Expenses	7.98	0.66
	Cartage & Petty Labour	0.67	0.00
	Packing Expenses	27.03	-
	(A)	562.26	15.64
B.	**Administrative expenses**		
	Rent	107.12	6.54
	Stationery & Printing	8.50	1.70
	Postage, Courier & Internet Expenses	4.88	0.39
	Telephone Expenses	5.84	1.16

Consultancy Fees	1.00	0.02
Auditors' Remuneration	8.80	4.78
Legal & Professional Expenses	50.67	12.02
Listing Expenses	-	7.87
Fees & Subscription to Association	4.61	0.47
Insurance	17.56	-
Travelling Expenses	-	-
- Directors	59.33	1.66
- Staff	15.12	-
Repairs & Maintenance	12.22	0.15
Vehicle Running Expenses	2.10	0.59
Security Expenses	29.11	20.34
License Fees	0.25	-
ROC Filling Fees	2.36	-
Computer & Software Expenses	5.32	-
Research & Development Expenses	35.12	-
Annual Maintenance Charges	4.99	-
Property-Tax	1.48	1.82
Bank Charges & Commission	22.07	0.01
Donation	0.31	-
Contribution towards Corporate Social Responsibility (CSR)	18.50	7.50
Office Expenses	3.73	0.72
GST Expenses	6.13	-
Internet Expenses	0.05	-
Electricity Expenses	1.00	-
Miscellaneous Expenses	1.30	(8.36)
(B)	429.48	59.36

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
C. **Selling & Distribution Expenses**		
Advertisment & Publicity Expenses	29.07	0.19
Business Promotion Expenses	44.08	-
Exhibition Expenses	206.37	-
Freight & Cartage Outward	71.06	35.15
Commission	15.03	0.23
Listing expenses	4.63	-
Others	8.80	35.70
(C)	379.02	71.26
TOTAL (A+B+C)	1,370.77	146.27

Notes :

(i) Miscellaneous expenses do not include any item of expenditure with a value of more than 1% of the revenue from operations

(ii) Refer Note 42 for related party details.

Note - 34.1 - Break-up of payment to Auditors

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
(a) Auditors' Remuneration		
- Statutory audit fees	7.90	7.35
- Tax audit fees	0.90	0.50
	-	-
(b) Other Services	9.71	6.70
TOTAL	18.51	14.55

Note - 35 - Other comprehensive income

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A. **Items that will not be reclassified subsequently into profit or loss :**		
(i) Change in revaluation surplus	-	-
(ii) Remeasurement of defined benefit plans	(26.40)	2.57

(iii)	Tax effect of remeasurement of defined benefit plans		(6.64)	(0.65)
(iv)	Equity instrument of the defined benefit plans		-	-
(v)	Fair value changes relating to own credit risk of financial liabilities designted at fair value through profit or loss		-	-
(vi)	Share of other comprehensive Income in associate and joint ventures, to the extent not to be classified into profit or loss		-	-
(vii)	Others		-	-
		(A)	(33.05)	1.93
B.	**Items that will be reclassified subsequently to profit or loss :**			
(i)	Exchange differences in translating the financial statements of foreign operation		-	-
(ii)	Debt instruments through other comprehensive Income		-	-
(iii)	The effective portion of gains and loss on hedging instruments in a cash flow hedge		-	-
(iv)	Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss		-	-
(v)	Others		-	-
		(B)	-	-
	TOTAL	(A+B)	(33.05)	1.93

Note - 36 - Earnings per equity share

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Basic & Diluted Earning Per Share : *[without making retrospective adjustments to number of equity shares outstanding on account of sub-division and bonus]*		
Net profit after tax as per statement of profit and loss attributable to equity shareholders	2,308	247
Weighted average number of equity shares used as denominator for calculating basic EPS	581	62
Weighted average potential equity shares	-	-
Total weighted average number of equity shares used as denominator for calculating diluted EPS	581	62
Basic Earning Per Share (in Rs.)	3,97,329.94	3,97,329.94
Diluted Earning Per Share (in Rs.)	3,97,329.94	3,97,329.94

Notes :

(i) The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

Note - 37 - The reconciliation of tax expenses and the accounting profit

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Profit before tax	3,561.30	265.62
Effect of Ind AS adjustments	896.31	66.85
Adjusted profit before tax	4,457.61	332.47
Applicable tax rate	25.168%	25.168%
Computed tax expense	1,122	84
Tax effect of:		
Income not taxable	-	(12.09)
Disallowable Expenses	28.55	6.55
Different tax rate on Capital Gains	-	(9.58)
Depreciation	(19.31)	(8.57)
Excess deduction allowable	(11.41)	(11.41)
Uncertain tax positions	79.14	(42.64)
Other differences	-	-
Current Tax Provision	-	-
Actual current tax expenses	1,198.85	5.93
Effective tax rate	33.663%	2.233%

Note - 38 - Contingent liabilities & commitments

[Amount in Lakhs]

Particulars		Year ended 31st March, 2026	Year ended 31st March, 2025
(i)	**Contingent liabilities**		
A.	Guarantees		
	- Claims against the Company, not acknowledged as debts	-	-
	- Corporate Guarantee	-	191.19
	Contested Demand		
	- A.Y. 2007-08	0.06	0.06
	- A.Y. 2008-09	0.45	0.45
	Total	0.51	191.70
B.	Other money for which the Group is contingently liable against pending litigations		
	- Entry tax	47.69	47.69
	- Service tax	161.87	161.87
	- Others	17.63	-
	Total	227.19	209.56
(ii)	**Commitments**		
	- Estimated amount of contracts remaining to be executed on capital account and not provided for	-	37.00
	- Uncalled liability on shares and other investments partly paid	-	-
	- Other commitments	-	-

Notes:

(i) The Group does not expect any reimbursements in respect of the above contingent liabilities

(ii) Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

Note - 39 - Information as required to be given as per Schedule III of the Companies Act, 2013

[Amount in Lakhs]

Particulars		Year ended 31st March, 2026	Year ended 31st March, 2025
A.	Key managerial remuneration		
	- Salary and allowances	186.00	2.30
B.	Foreign currency transactions		
i)	Value of Imports calculated on CIF basis		
	- Raw material	-	-
	- Components and spare parts	-	-
	- Capital goods	-	-
ii)	Expenditure in foreign currency	-	-
iii)	Earning in foreign currency		
	- Export of goods calculated on FOB basis	515.65	-
	- Royalty, Know how, professional & consultation fees	-	-
	- Interest and dividend	-	-
	- Other income	-	-

Noter - 40 - Disclosures as per Ind AS 116 "Leases"

Application of Ind AS 116

The group has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2023 (Date of transition to Ind AS) and applied the standard to its leases, prospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1st April, 2023). Accordingly, the Group has measured its lease liability as at 1st April, 2023 at the present value of the remaining lease payments, discounted using the interest rate of 9.50% p.a. implicit in the lease at the date of transition to Ind AS.

The Right-of-Use Asset has been recognised at an amount of Rs.73.84 Lakhs and a lease liability of Rs 57.24 Lakhs has been recognized on date of transition i.e on 01-04-2023. The cumulative effect on transition has been given in retained earnings net off taxes.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the Right-of-use asset, and finance cost for interest accrued on lease liabilities.

Ind AS 116 has resulted in an increase in net cash inflows from operating activities and an increase in cash (inflows)/outflows from financing activities on account of lease payments.The principal and interest portion of the lease payments have been disclosed under cash flow from financing activities which for the year ended March 31st, 2026, amount to Rs.761.93 lakhs (F.Y. 2024-25 Rs. 5.49 lakhs)

For movement in right-of-use asset refer Note 4 and movement in lease liabiliy during the year is as follows :

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Balance at the beginning	62.02	-
Additions	798.29	62.08
Finance cost accrued during the period	9.97	5.43
Deletions	-	-
Payment of lease liabilities	766.82	5.49
Balance at the end	**103.46**	**62.02**

Noter - 41 - Disclosures as per Ind AS 19 "Employee benefits"

(i) **Defined Contribution Plan**

Contribution to defined contribution plans, recognised as expense for the year is as under:

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Employer's contribution to Provident Fund	40.99	0.56
Employer's contribution to ESIC	11.32	0.16

(ii) **Defined benefit schemes**

Reconciliation of opening and closing balances of defined benefit obligation

[Amount in Lakhs]

Particulars	Gratuity (Funded)	
	31st March, 2026	31st March, 2025
Defined Benefit Obligation at beginning of the year	34.02	-
Addition through Business Combination	-	30.67
Current Service Cost	15.68	3.85
Interest Cost	2.47	2.07
Past Servicer Cost (Vested benefits)	-	-
Benefits paid	-	-
Acturial (Gain)/Loss	26.40	(2.57)
Defined Benefit Obligation at year end	78.57	34.02

Reconciliation of opening and closing balances of fair value of plan assets

[Amount in Lakhs]

Particulars	Gratuity (Funded)	
	31st March, 2026	31st March, 2025
Fair value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Acturial Gain/(Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair value of Plan Assets at year end	-	-

Reconciliation of fair value of assets and obligations

[Amount in Lakhs]

Particulars	Gratuity (Funded)	
	31st March, 2026	31st March, 2025
Fair value of plan assets		
Present value of obligation	78.57	34.02
Amount recognised in balance sheet (surplus/(deficit))	(78.57)	(34.02)
Amount recognized in balance sheet		

- Non current liabilities	77.12	31.61
- Current liabilities	1.45	2.42
Total	78.57	34.02

Expenses recognised during the year

[Amount in Lakhs]

Particulars	Gratuity (Funded)	
	Year ended 31st March, 2026	Year ended 31st March, 2025
In income statement		
Current service cost	15.68	3.85
Interest cost	2.47	2.07
Past service cost	-	-
Return on plan assets	-	-
Net cost	18.15	5.92
In other comprehensive income		
Actuarial (gain)/loss	26.40	(2.57)
Return on plan assets		
Net (income)/expenses for the period recognised in OCI	26.40	(2.57)

Significant acturial assumptions

Acturial assumptions	Gratuity (Funded)	
	Year ended 31st March, 2026	Year ended 31st March, 2025
Mortality table (ALM)		
Discount rate (per annum)	7.25%	6.75%
Rate of escalation in salary (per annum)	7.00%	7.00%
Demographic assumptions		
Retirement Age	60	60
Attrition Rate	5% to 1%	5% to 1%
Mortality rate during employment	Indian assured lives mortality (2012-14) urban	Indian assured lives mortality (2012-14) urban

*Note : It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumption is as shown below

[Amount in Lakhs]

Acturial Assumptions	Gratuity (Funded)	
	Year ended 31st March, 2026	Year ended 31st March, 2025
a) Impact of change in discount rate		
Present Value of obligation at the end of the year	**(78.57)**	**(34.02)**
a) Impact due to increase of 1%	68.58	30.05
b) Impact due to decrease of 1%	90.82	38.82
b) Impact of change in salary increase		
a) Impact due to increase of 1%	90.73	38.76
b) Impact due to decrease of 1%	68.48	30.02
b) Impact of change in employee turnover		
a) Impact due to increase of 1%	78.84	33.93
b) Impact due to decrease of 1%	78.26	34.13

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

Maturity profile of defined benefit obligation

[Amount in Lakhs]

Year	Gratuity (Funded)	
	Year ended 31st March, 2026	Year ended 31st March, 2025
1st following year	1.45	2.42
2nd following year	2.40	1.05
3rd following year	2.33	1.02
4th following year	2.26	2.29
5th following year	2.19	0.90
Sum of years 6 to 10	4.46	11.22

Notes:

1 The estimates of rate of escalation in salary considered in acturial valuation, take into account inflations, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

2 The expected contribution for Defined Benefit Plan for the next financial year will be in line with F.Y. 2025-26

3 The Group makes provident fund (PF) contributions to defined contribution benefit plans for eligible employees. Under the scheme the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

4 Amount towards Defined Contribution Plan have been recognized under “Contribution to Provident and Other funds” in Note 31.

5 Defined benefit plan:

The Group has a defined benefit gratuity plan in India (funded). The entity’s defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

General description of the plan:

The group operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose the company to various risk such as :

(a) Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit..

(b) Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

(c) Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(d) Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTE - 42 - RELATED PARTY DISCLOSURES

A (i) **List of related parties**

Sno.	Relationship	Name of the party
1	Key Managerial Personnel [KMP]	1) Shri Vishal Jaiswal (Whole-Time Director) 2) Smt. Shikha Jaiswal 3) Shri Ajay Jaiswal(Managing Director & CFO) 4) Smt. Niharika Jaiswal 5) Mr. Ashok Jaiswal (Chairman & Director) 6) Mr. Mohd Shanawaz Shekh (Company Secretary) 7) Mrs. Suchita Chhawchharia (Executive Director resigned w.e.f. 07-03-2025) 8) Mr. Aritra Basu (Director resigned w.e.f. 07-03-2025) 9) Mr. Shiv Shankar Sharma (Chief Financial Officer, cessation w.e.f. 21-12-2024) 10) Ms. Radhika Mayaramka (Company Secretary resigned w.e.f. 01-02-2025)
2	Associate Company	1) Avon Credit Private Limited (ceases to be associate w.e.f 07-03-2025)
3	Enterprises over which key managerial personnel are able to exercise significant influence	1) Ashoka Polyplast Pvt. Ltd. 2) M/s. SMT Extrusion Technique [Partnership Firm] 3) M/s. VAVA Extrusion and Irrigations Technique [Partnership Firm] 4) M/s. Soft Care Solutions [Partnership Firm] 5) M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal] 6) M/s. SMT Plast [Prop. Shri Ashok Jaiswal] 7) Greenpath Polymers Private Limited 8) BCCO Commodities Private Limited 9) BCCO Holdings Private Limited 10) Aster Dealcom Private Limited 11) Ambicon Ventures Private Limited 12) Camus Pharma Private Limited (up-till 15-09-2024)
4	Other Related Parties	1) Smt. Vandana Jaiswal 2) Smt. Poonam Jaiswal

(ii) **Related Party Transactions**

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Buy-Back of Equity Shares**								
	Avon Credit Pvt. Ltd.	-	-	-	1.50	-	-	-	-
	Total	-	-	-	1.50	-	-	-	-
2	**Directors' Remuneration**								
	Shri Vishal Jaiswal	48.00	34.95	-	-	-	-	-	-
	Smt. Shikha Jaiswal	45.00	34.95	-	-	-	-	-	-
	Shri Ajay Jaiswal	48.00	34.95	-	-	-	-	-	-
	Smt. Niharika Jaiswal	45.00	34.95	-	-	-	-	-	-
	Total	186.00	139.80	-	-	-	-	-	-
3	**Sales**								
	SMT Plast [Prop Shri Ashok Jaiswal]	-	-	-	-	-	384.64	-	-
	M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal]	-	-	-	-	-	482.78	-	-
	Camus Pharma Private Limited (Exclusive of GST) (up-till 15-09-2024)	-	-	-	-	-	238.00	-	-
	Total	-	-	-	-	-	1,105.42	-	-
4	**Sale of Assets**								
	Smt. Vandana Jaiswal [Agricultural land at alwasa]	-	-	-	-	-	-	-	79.50
	Shri Ajay Jaiswal [Land at Bhorasala]	-	88.76	-	-	-	-	-	-
	Total	-	88.76	-	-	-	-	-	79.50

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025

5	**Purchase of Assets**								
	SMT Plast [Prop Shri Ashok Jaiswal]	-	-	-	-	480.40	-	-	-
	Total	-	-	-	-	480.40	-	-	-
6	**Interest Income**								
	BCCO Holding Pvt. Ltd.	-	-	-	-	-	1.11	-	-
	Total	-	-	-	-	-	1.11	-	-
7	**Freight Revenue**								
	SMT Plast [Prop Shri Ashok Jaiswal]	-	-	-	-	-	0.08	-	-
	M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal]	-	-	-	-	-	0.11	-	-
	Total	-	-	-	-	-	0.19	-	-
8	**Advance Against Salary Given**								
	Shiv Shankar Sharma	-	0.25	-	-	-	-	-	-
	Total	-	0.25	-	-	-	-	-	-
9	**Advance Against Salary Received Back**								
	Shiv Shankar Sharma	-	0.20	-	-	-	-	-	-
	Total	-	0.20	-	-	-	-	-	-

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
10	**Salary**								
	Shri Ashok Kumar Jaiswal	45.00	34.95	-	-	-	-	-	-
	Smt. Vandana Jaiswal	-	-	-	-	-	-	45.00	34.95
	Mrs. Suchita Chhawchharia	-	1.65	-	-	-	-	-	-
	Mr. Shiv Shankar Sharma	-	2.91	-	-	-	-	-	-
	Ms. Radhika Mayaramka	-	1.60	-	-	-	-	-	-
	Mr. Mohd Shanawaz Shekh	6.44	-	-	-	-	-	-	-
	Total	51.44	41.11	-	-	-	-	45.00	34.95
11	**Purchase of Goods (exclusive of GST)**								
	M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal]	-	-	-	-	1,829.81	1,112.69	-	-
	M/s. SMT Plast [Prop. Shri Ashok Jaiswal]	-	-	-	-	731.35	799.41	-	-
	M/s.Soft Care Solutions [Partnership Firm]	-	-	-	-	-	29.33	-	-
	Total	-	-	-	-	2,561.16	1,941.43	-	-
12	**Consultancy Charges**								
	Smt. Poonam Jaiswal	-	-	-	-	-	-	-	3.34
	Mrs. Suchita Chhawchharia	-	5.00	-	-	-	-	-	-
	Total	-	5.00	-	-	-	-	-	3.34
13	**Job Work Charges**								
	M/s. Prakhar Industries [Prop. Shri Vishal Jaiswal]	-	-	-	-	-	44.14	-	-
	M/s. VAVA Extrusion and Irrigation Technique	-	-	-	-	-	0.30	-	-
	Total	-	-	-	-	-	44.44	-	-
14	**Rent Expense (exclusive of GST)**								
	M/s. VAVA Extrusion and Irrigation Technique	-	-	-	-	54.00	7.50	-	-
	M/s. SMT Extrusion Technique	-	-	-	-	47.02	7.22	-	-
	Total	-	-	-	-	101.02	14.72	-	-
15	**Sundry Balances Written-off**								
	Mr. Shiv Shankar Sharma	-	1.75	-	-	-	-	-	-
	Total	-	1.75	-	-	-	-	-	-
16	**Unsecured Loans**								
	Camus Pharma Private Limited (up-till 15-09-2024)								

	Opening Balance	-	-	-	-	-	1,215.00	-	-
	Taken during the year	-	-	-	-	-	545.00	-	-
	Repaid during the year	-	-	-	-	-	1,760.00	-	-
	Closing Balance	-	-	-	-	-	-	-	-
	M/s. SMT Plast								
	Opening Balance	-	-	-	-	22.05	-	-	-
	Taken during the year	-	-	-	-	-	142.00	-	-
	Repaid during the year	-	-	-	-	22.00	119.95	-	-
	Closing Balance	-	-	-	-	0.05	22.05	-	-
	M/s. Green Path Polymers Pvt Ltd								
	Opening Balance	-	-	-	-	70.00	-	-	-
	Taken during the year	-	-	-	-	-	70.00	-	-
	Repaid during the year	-	-	-	-	-	-	-	-
	Closing Balance	-	-	-	-	70.00	70.00	-	-
	Shri Ajay Jaiswal								
	Opening Balance	38.57	10.00	-	-	-	-	-	-
	Taken during the year	332.29	360.56	-	-	-	-	-	-
	Repaid during the year	327.00	331.99	-	-	-	-	-	-
	Closing Balance	43.86	38.57	-	-	-	-	-	-
	Shri Vishal Jaiswal								
	Opening Balance	492.50	-	-	-	-	-	-	-
	Taken during the year	135.00	597.50	-	-	-	-	-	-
	Repaid during the year	603.84	105.00	-	-	-	-	-	-
	Closing Balance	23.66	492.50	-	-	-	-	-	-
	Smt. Niharika Jaiswal								
	Opening Balance	238.83	-	-	-	-	-	-	-
	Taken during the year	122.00	488.83	-	-	-	-	-	-
	Repaid during the year	306.75	250.00	-	-	-	-	-	-
	Closing Balance	54.08	238.83	-	-	-	-	-	-
	Smt. Shikha Jaiswal								
	Opening Balance	38.72	-	-	-	-	-	-	-
	Taken during the year	38.00	38.72	-	-	-	-	-	-
	Repaid during the year	58.60	-	-	-	-	-	-	-
	Closing Balance	18.12	38.72	-	-	-	-	-	-
17	**Loans and Advances given**								
	BCCO Commodities Pvt. Ltd.								
	Opening Balance	-	-	-	-	-	28.00	-	-
	Given during the year	-	-	-	-	-	-	-	-
	Received back during the year	-	-	-	-	-	28.00	-	-
	Closing Balance	-	-	-	-	-	-	-	-
	BCCO Holding Pvt. Ltd.								
	Opening Balance	-	-	-	-	-	13.08	-	-
	Given during the year	-	-	-	-	-	1.11	-	-
	Received back during the year	-	-	-	-	-	14.19	-	-
	Closing Balance	-	-	-	-	-	-	-	-

(iii) **Balances as at 31st March, 2026**

[Amount in Lakhs]

Sno.	Outstanding balances	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Unsecured Loans**								
	Shri Ajay Jaiswal	43.86	38.57	-	-	-	-	-	-
	Shri Vishal Jaiswal	23.66	492.50	-	-	-	-	-	-
	Smt. Niharika Jaiswal	54.08	238.83	-	-	-	-	-	-
	Smt. Shikha Jaiswal	18.12	38.72	-	-	-	-	-	-
	SMT Plast	-	-	-	-	0.05	22.05	-	-
	M/s. Green Path Polymers Pvt Ltd	-	-	-	-	70.00	70.00	-	-
	Total	139.71	808.62	-	-	70.05	92.05	-	-
2	**Creditors for Expenses**								
	Shri Vishal Jaiswal	0.45	3.01	-	-	-	-	-	-
	Shri Ajay Jaiswal	0.43	-						
	Smt. Shikha Jaiswal	19.37	3.01	-	-	-	-	-	-
	Smt. Niharika Jaiswal	16.55	3.01	-	-	-	-	-	-
	Shri Ashok Kumar Jaiswal	6.63	-	-	-	-	-	-	-
	Smt. Vandana Jaiswal	-	-	-	-	-	-	21.29	-
	Total	43.43	9.02	-	-	-	-	21.29	-
3	**Trade and Other Payables**								
	Shri Vishal Jaiswal	37.39	-	-	-	-	-	-	-
	Mr. Mohd Shanawaz Shekh	0.60	-	-	-	-	-	-	-
	Total	37.99	-	-	-	-	-	-	-

[Amount in Lakhs]

Sno.	Outstanding balances	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
4	**Trade Receivables**								
	M/s. Prakhar Industries	-	-	-	-	519.81	569.81	-	-
	M/s. SMT Plast	-	-	-	-	-	453.97	-	-
	Total	-	-	-	-	519.81	1,023.78	-	-
5	**Capital Advances**								
	Prakhar Industries	-	-	-	-	325.00	-	-	-
	Total	-	-	-	-	325.00	-	-	-
6	**Advance to Suppliers**								
	M/s. SMT Plast	-	-	-	-	198.82	710.30	-	-
	M/s. Prakhar Industries	-	-	-	-	533.03	939.92	-	-
	Total	-	-	-	-	731.84	1,650.22	-	-
7	**Advance for Expenses**								
	M/s. Vava Extrusion and Irrigation Technique	-	-	-	-	166.52	210.86	-	-
	M/s. SMT Extrusion Technique	-	-	-	-	-	28.43	-	-
	Total	-	-	-	-	166.52	239.29	-	-
8	**Investments**								
	M/s. Softcare Solutions	-	-	-	-	299.00	-	-	-
	Total	-	-	-	-	299.00	-	-	-

B **The following are the details of the transactions eliminated on consolidation as per Ind AS 110 read with ICDR Regulations during the year ended 31st March, 2026 and 31st March, 2025.**

(i) **Transactions by the parent with other group companies**

Description of Relationship	Name of the related party
Subsidiaries where control exist	1) Sai Machine Tools Pvt. Ltd. [Wholly owned Subsidiary Company] 2) Chemerix Life Sciences Pvt. Ltd. [Step-down Subsidiary]

(ii) **Related Party Transactions**

- SMT Engineering Limited

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Interest Income**								
	Sai Machine Tools Private Limited	-	-	-	-	190.15	2.04	-	-
	Total	-	-	-	-	190.15	2.04	-	-
2	**Loans & Advances**								
	Sai Machine Tools Private Limited								
	Opening Balance	-	-	-	-	2,267	-	-	-
	Given during the year	-	-	-	-	4,300.57	2,267.22	-	-
	Received back during the year	-	-	-	-	90.82	0.20	-	-
	Closing Balance	-	-	-	-	6,476.77	2,267.02	-	-

- Sai Machine Tools Private Limited

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Interest Income**								
	Chemerix Life Sciences Private Limited	-	-	-	-	17.61	43.72	-	-

	Total	-	-	-	-	17.61	43.72	-	-
2	**Interest Expense**								
	- SMT Engineering Limited [Formerly known as Adarsh Mercantile Limited]	-	-	-	-	190.15	2.04	-	-
	Total	-	-	-	-	190.15	2.04	-	-
3	**Unsecured Loans**								
	SMT Engineering Limited [Formerly known as Adarsh Mercantile Limited]								
	Opening Balance	-	-	-	-	2,267.02	-	-	-
	Taken during the year	-	-	-	-	4,300.57	2,267.22	-	-
	Repaid during the year	-	-	-	-	90.82	0.20	-	-
	Closing Balance	-	-	-	-	6,476.77	2,267.02	-	-
			-			-	-	-	-
4	**Loans and Advances given**								
	Chemerix Life Sciences Pvt. Ltd.								
	Opening Balance	-	-	-	-	54.84	-	-	-
	Given during the year	-	-	-	-	1,581.98	54.84	-	-
	Repaid during the year	-	-	-	-	324.26	-	-	-
	Closing Balance	-	-	-	-	1,312.56	54.84	-	-

- Chemerix Life Sciences Private Limited

[Amount in Lakhs]

Sno.	Related party transaction summary	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Interest Expense**								
	Sai Machine Tools Private Limited [capitalised with Capital-Work-in-Progress]	-	-	-	-	17.61	43.72	-	-
	Total	-	-	-	-	17.61	43.72	-	-
2	**Unsecured Loans**								
	Sai Machine Tools Private Limited								
	Opening Balance	-	-	-	-	54.84	-	-	-
	Taken during the year	-	-	-	-	1,581.98	2,924.72	-	-
	Repaid during the year	-	-	-	-	324.26	2,869.87	-	-
	Closing Balance	-	-	-	-	1,312.56	54.84	-	-

(iii) **Balances as at 31st March, 2026**

- SMT Engineering Limited

[Amount in Lakhs]

Sno.	Outstanding balances	Key managerial personnel [KMP]		Associate Company		Enterprises over which key managerial personnel are able to exercise significant influence		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Investment in Wholly Owned Subsidiary Company**								
	Sai Machine Tools Private Limited	-	-	-	-	2,744.60	2,744.60	-	-
	Total	-	-	-	-	2,744.60	2,744.60	-	-
2	**Loans & Advances**								
	Sai Machine Tools Private Limited	-	-	-	-	6,476.77	2,267.02	-	-
	Total	-	-	-	-	6,476.77	2,267.02	-	-
3	**Guarantee Given**								
	Chemerix Life Sciences Pvt.Ltd.	-	-	-	-	4,700.00	-	-	-
	Sai Machine Tools Private Limited	-	-	-	-	5,303.00	-	-	-
	Total	-	-	-	-	10,003.00	-	-	-

- Sai Machine Tools Private Limited

[Amount in Lakhs]

Sno.	Outstanding balances	Key managerial personnel [KMP]		Associate Company		Enterprises over which key		Other Related Parties	
		Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025	Year ended 31st March, 2026	Year ended 31st March, 2025
1	**Unsecured Loans**								
	SMT Engineering Limited [Formerly known as 'Adarsh Mercantile Limited']	-	-	-	-	6,476.77	2,267.02	-	-

	Total	-	-	-	-	6,476.77	2,267.02	-	-
2	**Loans and Advances**								
	Chemerix Life Sciences Private Limited	-	-	-	-	1,312.56	54.84	-	-
	Total	-	-	-	-	1,312.56	54.84	-	-
3	**Advance for Expenses**								
	Chemerix Life Sciences Pvt.Ltd.[Current A/c]	-	-	-	-	1.07	-	-	-
	Total	-	-	-	-	1.07	-	-	-
4	**Investments**								
	Chemerix Life Sciences Private Limited	-	-	-	-	1,498.00	1,498.00	-	-
	Total	-	-	-	-	1,498.00	1,498.00	-	-
5	**Guarantee Given**								
	Chemerix Life Sciences Pvt.Ltd.	-	-	-	-	4,700.00	-	-	-
	Total	-	-	-	-	4,700.00	-	-	-

- Chemerix Life Sciences Private Limited

1	**Unsecured Loans**								
	Sai Machine Tools Private Limited	-	-	-	-	1,312.56	54.84	-	-
	Total	-	-	-	-	1,312.56	54.84	-	-
2	**Creditors for Expenses**								
	Sai Machine Tools Private Limited	-	-	-	-	1.07	-	-	-
	Total	-	-	-	-	1.07	-	-	-

Note - 43 - Corporate social responsibility

In accordance with the provisions on Section 135 of the Companies Act, 2013, the board of directors of the Subsidiary company has constituted a CSR committee. The details of CSR activities are as follows :

[Amount in Lakhs]

Sr. No.	Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
1	Brought forward of amount spent beyond the statutory requirement	-	-
2	Gross amount required to be spent by the subsidiary company during the year as per Companies Act, 2013	17.93	-
3	Amount spent by the subsidiary company during the year on the following:		
	(a) Donation for setting up hostel.	-	-
	(b) Promoting Health Care including Preventive Health Care and Sanitization	10.55	-
	(c) Covid-19 relief related activities	-	-
	(d) Donations and Financial Assistance for Education	-	-
	(e) Food Distribution Drive to Fight Hunger	-	-
	(f) Women Empowerment	-	-
	(g) Rural/ Community Development	5.67	-
	(h) Others	2.28	-
		18.50	-
4	Amount spent in previous year more than prescribed limit	-	-
5	Closing amount yet to be spent	0.57	-
6	Carry forward of amount spent beyond the statutory requirement	-	-
7	Shortfall at the end of the year	-	-
8	Total of previous year shortfalls	Not Applicable	Not Applicable

Note - 44 - Other notes

Disclosure on financial instruments

(a) All the financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(i) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

(ii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date. Fair value measurement hierarchy:

[Amount in Lakhs]

	Particulars	As at 31st March, 2026		As at 31st March, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A.	**Financial assets**				
I	At amortized cost				
(i)	Loans	-	-	-	-
(ii)	Other non current financial assets	2,004.31	2,004.31	743.11	743.11
(iii)	Trade receivables	3,403.85	3,403.85	2,138.68	2,138.68
(iv)	Cash and cash equivalents	127.42	127.42	2,510.81	2,510.81
(v)	Bank balances other than cash and cash equivalents	995.57	995.57	9.23	9.23
II	At FVTPL	-	-	-	-
III	At FVTOCI	-	-	-	-
	TOTAL	**6,531.15**	**6,531.15**	**5,401.82**	**5,401.82**
B.	Financial liabilities				
(i)	Borrowings	8,105.89	8,105.89	5,089.86	5,089.86
(ii)	Lease liabilities	103.46	103.46	62.02	62.02
(iii)	Trade payables	2,510.20	2,510.20	2,350.77	2,350.77
(iv)	Other financial liabilities	2,322.61	2,322.61	2,202.85	2,202.85
	TOTAL	**13,042.16**	**13,042.16**	**9,705.49**	**9,705.49**

The management assess the fair value of loans, cash and cash equivalents, other bank balances, trade receivables, trade payables and other current financial assets and liabilities and it is approximate to their carrying value largely due to the short term maturities of these instruments.

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31st, 2026 and March 31st, 2025.

Fair value hierarchy:

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial risk management objectives and policies:

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Group's working capital requirements. The Group has various financial assets such as trade receivable, short term deposits and cash & cash equivalents, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of theses risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments and derivative financial instruments.

B. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The borrowings of the Group are principally denominated in Indian Rupees with a mix of fixed and floating rates of interest. The Group has a policy of selectively using interest rate swaps and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a regular basis. The exposure of Group's borrowing to interest rate changes as reported to the manangement at the end of reporting period are as follows:

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Fixed rate borrowings	209.76	1,129.11
Floating rate borrowings	7,896.12	412.42

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation with floating interest rates.

C. Interest rate sensitivity analysis:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations. The Group also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term

As at 31st March, 2026 financial liability of Rs. 789.61 Millions were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates would result in decrease/increase in profit/(loss) before tax of Rs. 44.64 Millions for the year ended 31st March, 2026

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Note: The impact is indicated on the profit/(loss) before tax basis).

D. Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the group. Credit risk arises mainly from the outstanding receivables from customers. The group has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

Trade receivables

Customer credit risk is managed subject to the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by management & president sales and corrective actions are taken.Any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

The movement in allowance for impairment in respect of trade receivables is as follows:

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Balance at the beginning of the year	-	-
Provision created during the year	-	-
Provision utilised/(reversed) during the year	-	-
Balance at the end of the year	-	-

The movement in the allowance for bad and doubtful other assets is as follows:

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Balance at the beginning of the year	-	-
Provision created during the year	-	-
Provision utilised/(reversed) during the year	-	-
Balance at the end of the year	-	-

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the group's finance & accounts department in accordance with the group's policy. Investments of surplus funds are made with banks in Fixed deposits

E. Liquidity risk:

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The group's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the group's reputation.

Liquidity risk arises from the group's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The group maintains adequate cash and cash equivalents along with the need based credit limits to meet the liquidity needs.

F. Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, security premium and all other equity, security premium and reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents and other bank balances.

[Amount in Lakhs]

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Borrowings (refer Note 15 & 19)	8,105.89	5,089.86
Less: Cash & cash equivalents and bank balances (refer Note 10 & 11)	1,122.99	2,520.04
Net debt	6,982.90	2,569.82
Total capital	12,054.28	6,282.81
Capital and net debt	19,037.17	8,852.63
Gearing ratio [Net debt/ capital and net debt]	36.68%	29.03%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31st, 2026 and March 31, 2025.

Note - 45 - Statement of Net Assets and Profit or Loss attributable to owners and minority interest

Name of the Entity		Net Assets, i.e., total assets minus total		Share in profit or loss	
		Amount	%	Amount	%
A.	**Parent**				
	SMT Engineering Limited	(4,29,58,986)	-356379.64%	(1,40,38,059)	(608231.25%)
B.	**Subsidiaries**				
a)	Indian				
1)	Sai Machine Tools Private Limited [Subsidiary Company]	1,10,88,93,668	9199172.79%	24,50,00,611	10615215.65%
2)	Chemerix Life Sciences Private Limited [Step Down Subsidiary Company]	42,43,67,491	3520472.69%	(1,61,201)	(6984.41%)
b)	Foreign	-	-	-	-
C.	**Minority Interest in Subsidiaries**				
a)	Indian Subsidiaries	-	-	-	-
b)	Foreign	-	-	-	-
D.	**Associates**				
a)	Indian	-	-	-	-
b)	Foreign	-	-	-	-
E.	**Joint Ventures**				
a)	Indian	-	-	-	-
b)	Foreign	-	-	-	-
	TOTAL	1,49,03,02,173	12363266%	23,08,01,351	10000000%