



Somi Conveyor Beltings Limited

CIN: L25192RJ2000PLC016480

25TH ANNUAL REPORT



Website: www.somiinvestor.com

Board of Directors

Mr. Om Prakash Bhansali - Chairman & Managing Director

Mr. Vimal Bhansali – Whole Time Director

Mr. Gaurav Bhansali – Whole Time Director

Mr. Mahendra Rakhecha - Independent Director (Non-Executive)

Mr. Yogesh Maheshwari – Independent Director (Non-Executive)

Mr. Santosh Kumar Joshi – Independent Director (Non-Executive)

Ms. Rekha Bhandari – Independent Director (Non-Executive)

Ms. Payal Daga – Non-Independent Woman Director (Non-Executive)

Chief Financial Officer

Mr. Manish Bohra

Company Secretary

Mr. Amit Baxi

Statutory Auditor

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

Secretarial Auditor

Ira Baxi, Practicing Company Secretary, Jodhpur

Cost Auditor

M/s. Anchal Jain & Co., Cost Accountants, Meerut

Internal Auditor

M/s. B.P Bang & Co., Chartered Accountants, Jodhpur

Bankers

Punjab National Bank, Pal Road Branch, Jodhpur, Rajasthan

Registered Office

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

Web: www.somiinvestor.com; Email: md@somiconveyor.com

CIN: L25192RJ2000PLC016480

Manufacturing Units

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

Listed At

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

Registrar and Share Transfer Agent

MUFG Intime India Pvt Ltd.

(Formerly Known as Link Intime India Pvt Ltd)

CIN: U67190MH1999PTC118368

C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400083

Tel : +91 22 4918 6000; Fax : +91 22 4918 6060

Email id: rnt.helpdesk@in.mpms.mufg.com; Web: www.in.mpms.mufg.com

Committees of Board

Audit Committee

Mr. Santosh Kumar Joshi – Chairman

Mr. Gaurav Bhansali – Member

Mr. Yogesh Maheshwari – Member

Nomination & Remuneration Committee

Mr. Yogesh Maheshwari – Chairman

Mr. Mahendra Rakhecha – Member

Mr. Santosh Kumar Joshi – Member

Stakeholder Relationship Committee

Mr. Yogesh Maheshwari – Chairman

Mr. Mahendra Rakhecha – Member

Mr. Vimal Bhansali – Member

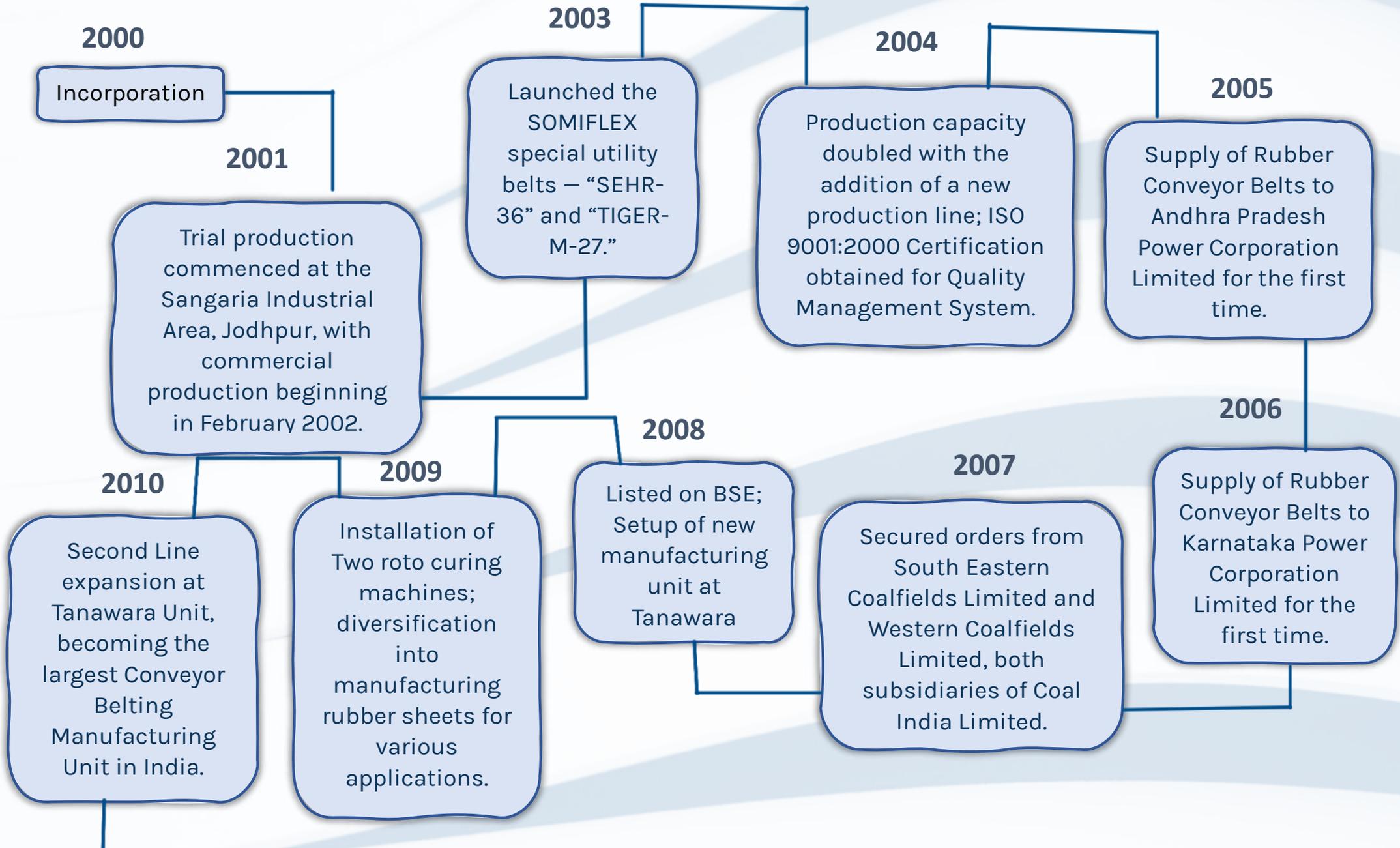
Corporate Social Responsibility Committee

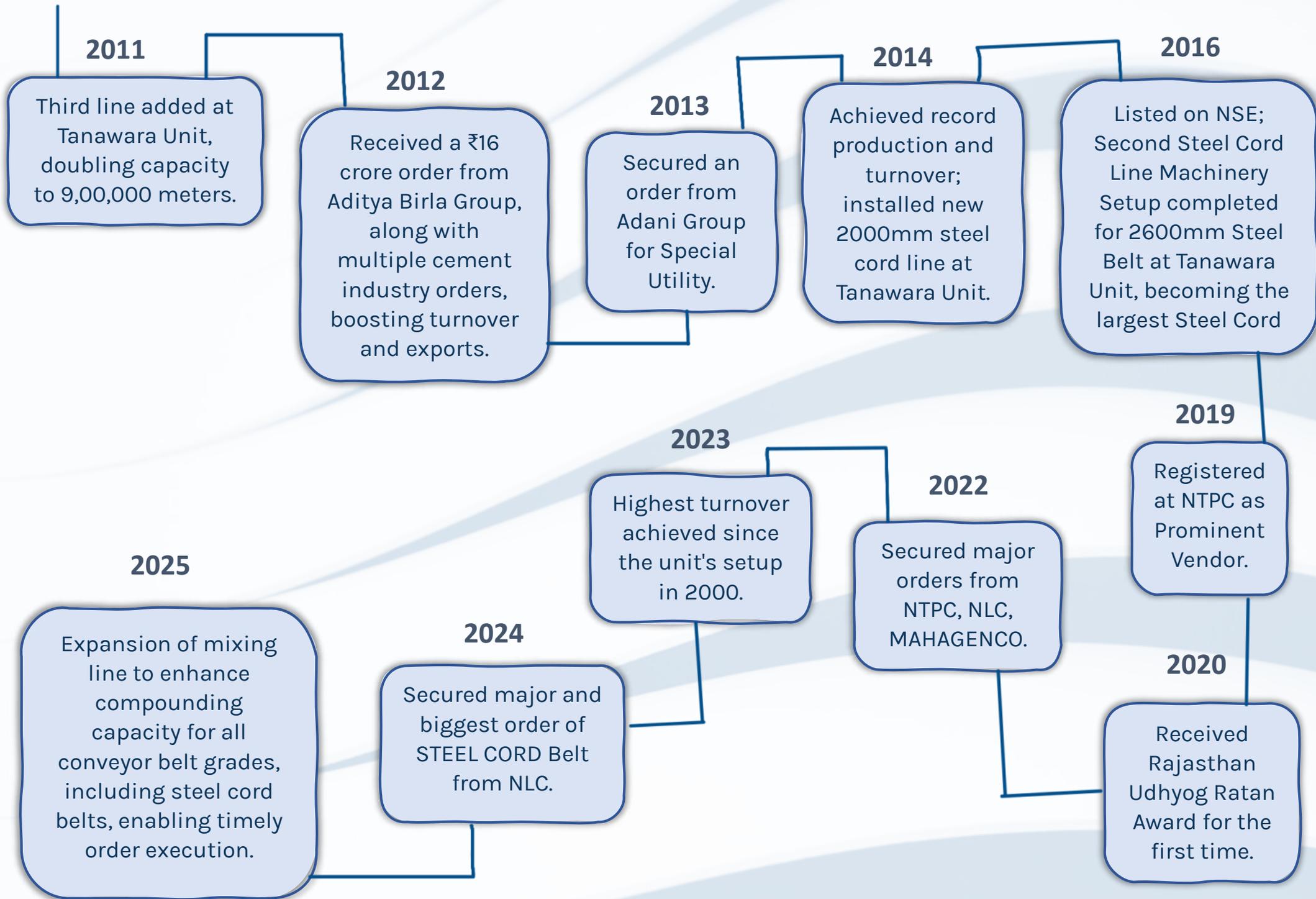
Mr. Om Prakash Bhansali - Chairman

Mr. Vimal Bhansali – Member

Mr. Mahendra Rakhecha – Member

Our 25-Year Journey: Progress, Innovation, and Leadership

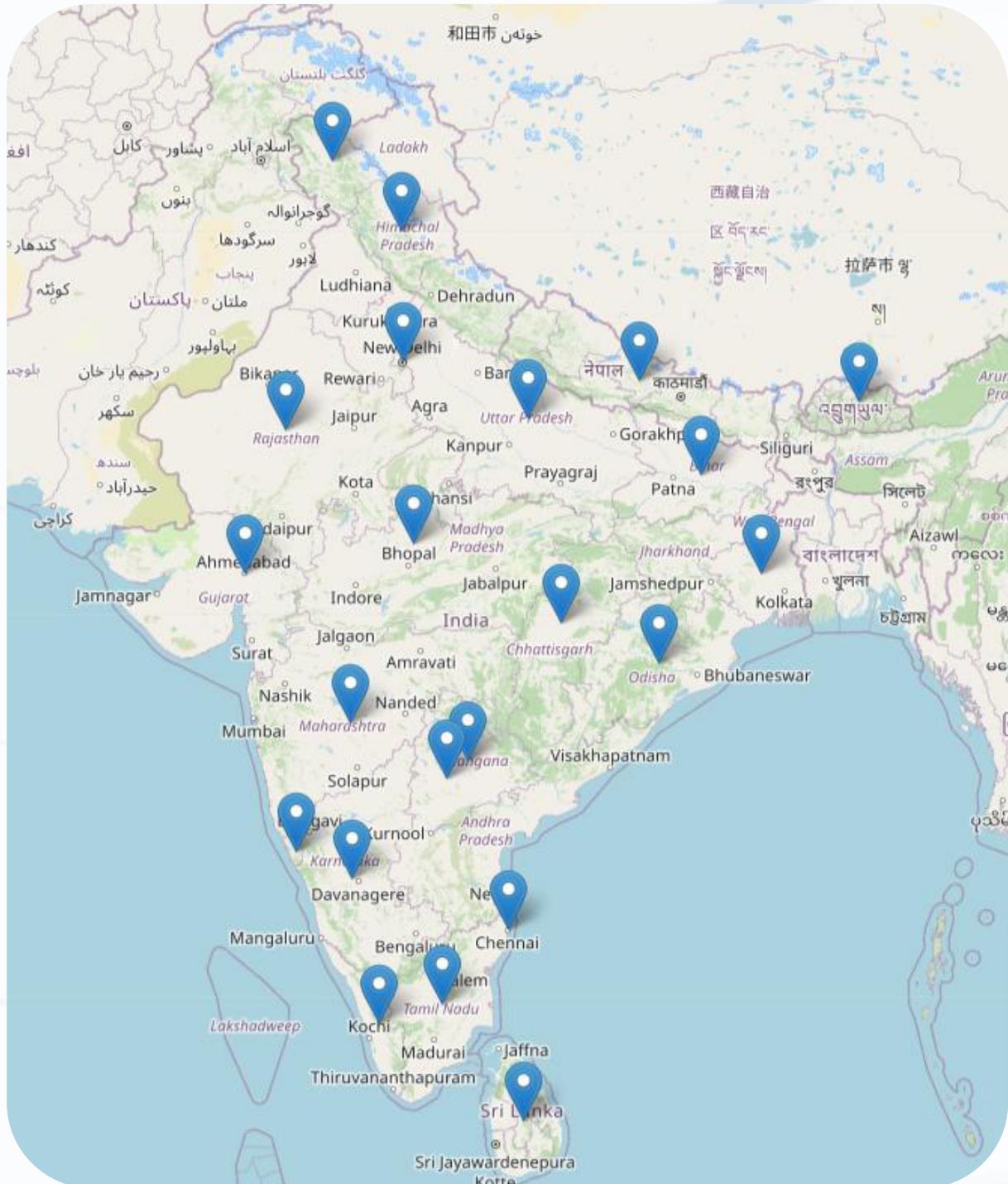


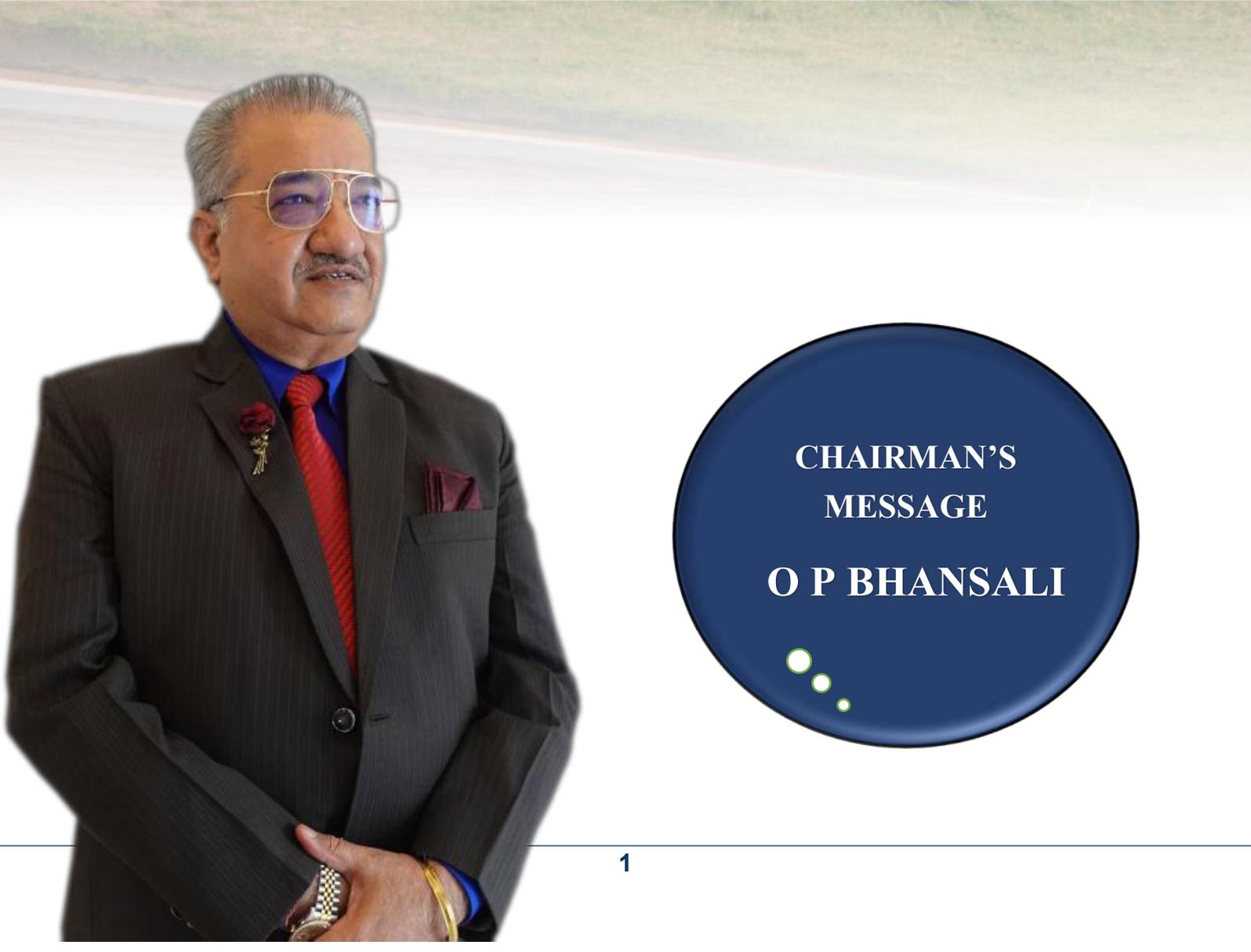


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Our Prominent Clients – In India





**CHAIRMAN'S
MESSAGE
O P BHANSALI**

Dear Stakeholders,

With great pride and gratitude I humbly submit that our Company has completed 25 glorious years in conveyor belts manufacturing. I take this opportunity to present before you the 25th Annual Report of our Company. This silver jubilee milestone marks not just the passage of time, but a journey of resilience, innovation, and sustained value creation in the conveyor belt industry.

The financial year 2024–25 has been a year of consolidation and strategic growth. Despite global headwinds, inflationary pressures, and fluctuating raw material costs, your Company delivered a robust performance, driven by operational efficiency, customer-centricity, and a strong focus on sustainable manufacturing.

We recorded a healthy growth in revenues, however there is slight decline in the turnover of the Company when compared with previous year revenue but there has been significant increase in the profits of the company reaffirming the trust of our stakeholders and the strength of our diversified product portfolio that serves key sectors such as mining, cement, steel, power, and logistics.

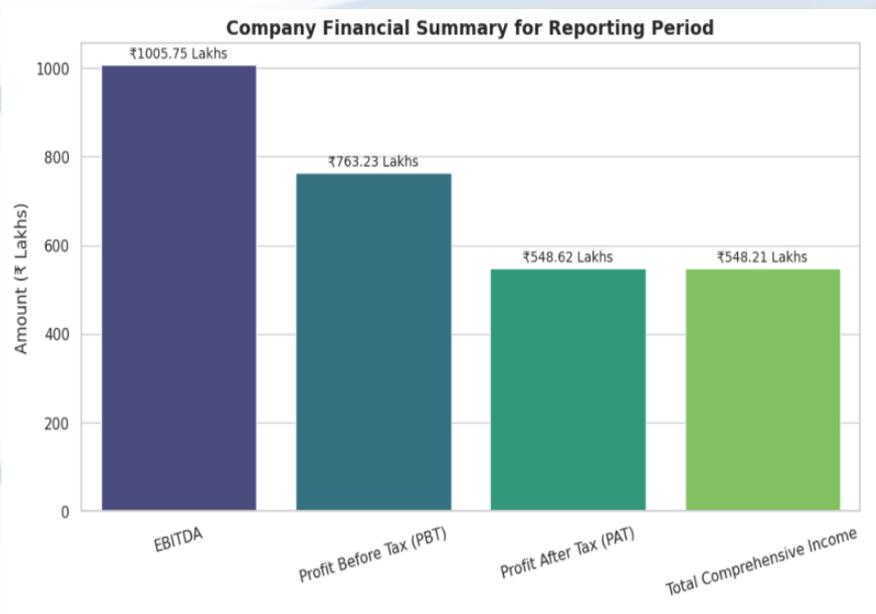
The summary of the Financial Performance is shown below:- (Rs. stated in Lakhs)

REVENUE

10123.77

PROFIT

548.21



Strategic Initiatives

In our 25th year, we took significant steps to future-proof the business. These included:

- **Capacity Expansion:** Commissioning of a new state-of-the-art production line to cater to growing domestic and export demand.
- **Innovation:** Introduction of eco-friendly and energy-efficient conveyor belt variants, aligning with global sustainability goals.
- **Digitalisation:** Implementation of smart manufacturing practices and IoT-based monitoring systems to enhance quality and reduce downtime.
- **Global Outreach:** Deepened our presence in emerging markets through strategic partnerships and supply agreements.

Outlook

As we step into the next phase of our journey, we are optimistic about the opportunities ahead. With infrastructure development, industrial automation, and green energy projects gaining momentum, the demand for high-performance conveyor systems is expected to rise. Your Company is well-positioned to capitalize on these trends with agility and innovation.

Appreciation

On behalf of the Board of Directors, I extend my heartfelt appreciation to our shareholders, employees, customers, suppliers, and partners. Your unwavering support has been the cornerstone of our success over the past 25 years.

Let us continue to move forward together — stronger, smarter, and more sustainable.

With my warmest regards,

O P BHANSALI

Chairman & Managing Director

Notice of 25th Annual General Meeting

NOTICE is hereby given that the **Twenty Fifth (25th) Annual General Meeting** of the members of the Company will be held on **Tuesday, 30th September, 2025** at 11:30 A.M at its registered office at 4F-15, "Oliver House", New Power House Road, Jodhpur-342003, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended **31st March, 2025**, together with the Reports of the Board of Director's and the Auditor's thereon.

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

RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.

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

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

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

Special Business:

3. To ratify remuneration of Cost Auditor for the financial year 2025-2026.

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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹35,000/- (Rupees Thirty Five Thousand only) plus applicable taxes, travel and out-of-pocket and other expenses incurred in connection with the audit, as recommended by the Audit Committee and approved by the Board of Directors, payable to M/s. Anchal Jain & Co, Cost Accountants (FRN:103706), who are appointed as Cost Auditors in the Board Meeting held on Friday, 30th

May, 2025 to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2026.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and other things and execute all such forms, documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

4. Appointment of Mr. Rajesh Garg (DIN: 02444529) as Non - Executive Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'Act') and the rules framed there under, read with Schedule IV to the Act as amended from time to time read with Regulation 25 (2A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Mr. Rajesh Garg (DIN: 02444529), who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and whose appointment has been recommended by the Nomination & Remuneration Committee be and is hereby appointed as a Director (Category: Non-Executive Independent Director) of the Company to hold office for the First term of 5 (five) consecutive years with effect from October 1, 2025.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and is hereby authorized to do all such acts, deeds and other things and execute all such forms, documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

5. Appointment of Mrs. Shashi Modi (DIN: 11214079) as Non - Executive Independent Woman Director

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'Act') and the rules framed there under, read with Schedule IV to the Act as amended from time to time read with Regulation 25 (2A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Mrs. Shashi Modi (DIN: 11214079), who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and whose appointment has been recommended by the Nomination & Remuneration Committee be and is hereby appointed as a Director (Category: Non-Executive Independent Woman Director) of the Company to hold office for the First term of 5 (five) consecutive years with effect from October 1, 2025.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and is hereby authorized to do all such acts, deeds and other things and execute all such forms, documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

6. To approve the appointment of M/s Saharia and Associates, as the Secretarial Auditors of the Company

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactments thereto) and based on the recommendation of the Audit Committee and Board of Directors, consent of the Members be and is hereby accorded for the appointment of M/s Saharia and Associates, Practicing Company Secretaries, bearing Firm Registration No. S2021RJ802000, holding Peer Review Certificate No. 4773/2023, as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years, i.e from the Financial Year 2025-26 till the Financial Year 2029-30, on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors from time to time.”.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

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

SD/-
(AMIT BAXI)
Company Secretary

Place: Jodhpur
Date: 4th September, 2025

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

NOTES:

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

BOOK CLOSURE:

7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 24th September, 2025 to Tuesday, 30th September, 2025 (both days inclusive) for annual closing.
8. Members who have not encashed their dividend warrants for the dividend declared for the financial year 2017-18 are requested to send a letter along with unclaimed dividend warrant, if any, or letter of undertaking for issue of duplicate dividend warrant/demand draft.

9. Pursuant to the provisions of Section 124(5) of the Act, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Further, pursuant to the provisions of Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the IEPF Rules”) and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority.
10. Further, the Company has uploaded the details of the above on its website i.e. www.somiinvestor.com for the information of Members and they are also available on Ministry of Corporate Affairs website at www.mca.gov.in. Members are entitled to claim the shares from the IEPF Authority by making an application online along with the requisite documents in Form IEPF-5 available on the MCA V3 Portal. Shareholders are requested to contact the Company’s RTA or the Company in this regard.
11. The unclaimed dividend for the Financial Year 2017-18 must be claimed as early as possible falling which it would be transferred to IEPF as per the(tentative) date mentioned herein below:

| Financial Year ended | Due Date of Transfer |
|----------------------|----------------------|
| 31.03.2018 | 27.11.2025 |

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

12. It is in the Members interest to claim any un-encashed dividends and for future, opt for National Electronic Clearance System (NECS)/ National Automated Clearing House (NACH), so that dividends paid by the Company are credited to the investor’s account on time.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
14. As mandated by SEBI, shares of the Company can be transferred/traded only in dematerialised mode. Members holding shares in physical mode are advised to avail the facility of dematerialisation.
15. Members are advised to exercise diligence and obtain statement of holdings periodically from the concerned Depository Participant and verify the holdings from time to time.
16. Members are requested to intimate/update changes, if any, in postal address, e-mail address, mobile number, PAN, nomination, bank details such as name of the bank and branch, bank account number, IFS Code etc.
- For shares held in electronic form:** to their Depository Participants (DPs);
 - For shares held in physical form:** to the Company / Company’s Registrar and Share Transfer Agents, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) (“RTA”) in prescribed Form given below along with supporting documents

| Sr. No | Particulars | Form |
|--------|--|-------|
| 1. | Request for Registering PAN, KYC details OR Changes/updatons there of (only for securities held in physical) | ISR-1 |
| 2. | Confirmation of Signature of securities holder by Banker | ISR-2 |

| | | |
|----|--|-------|
| 3. | Declaration for Opting-out of Nomination by holders of physical securities in Listed Companies | ISR-3 |
| 4. | Nomination Form | SH-13 |
| 5. | Cancellation OR Variation of Nomination | SH-14 |

The format of above mentioned Forms are available on the website of the Company's RTA's at <https://web.in.mpms.mufg.com/KYC-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

17. Members may please note that the Listing Regulations mandate transfer, transmission and transposition of securities of listed companies held in physical form only in demat mode. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate etc., by submitting a duly filled and signed Form ISR-4 along with requisite supporting documents to MUFG as per the requirement of the aforesaid circular.

The aforesaid forms can be downloaded from the website of MUFG at <https://web.in.mpms.mufg.com/client-downloads.html>.

18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

19. Documents referred to in the Notice are open for Inspection at the Registered Office of the Company on all working days between 11:00 AM to 1:00 Noon up to the date of Annual General Meeting and will also be available for inspection at the meeting.
20. MUFG Intime India Private Limited is our Registrar and Share Transfer Agent. All the investor related communication may be addressed to them at their following address:

MUFG Intime India Private Limited

C-101,Embassy 247, LBS Marg, Vikhroli (West), MUMBAI – 400083

Tel: +91 81081 16767; Email: rnt.helpdesk@in.mpms.mufg.com

Dispatch of Annual Report through Electronic Mode and Process of Registration of Email ID for obtaining Annual Report:

21. In accordance with the guidelines issued under the MCA Circulars and SEBI Circulars, in relation to owing the difficulties involved in dispatching of physical copies of the financial statements (including Directors' Report, Auditor's Report or other Statutory Reports) including other Statutory statements/documents including the Notice of 25th AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s), unless any Member has requested for a physical copy of the same .
22. Additionally, pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2024/218 dated December 12, 2024 the Company shall dispatch a "Letter" with web-link and exact path to access full Annual

Report for the financial year 2024-25 to Members who have not registered their email address with the RTA.

23. Members may note that this Notice and Annual Report for the financial year 2024-25 will also be available on the Company's website at www.somiinvestor.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and on the website of Central Depository Services (India) Limited ("CDSL") www.evotingindia.com.
24. We urge Members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your DPs.
25. Members holding Equity Shares as on cut-off date shall have one vote per share as shown against their holding.
26. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
27. The Company is providing e-voting facility to its Members to enable them to cast their votes electronically on the resolutions included in this Notice. The Company has appointed Central Depository Services (India) Limited ("CDSL/Agency") for providing and supervising e-voting services, so as to enable the Members to cast their votes electronically instead of physical mode.

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

28. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by e-voting. They shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. **The instructions for e-voting are annexed to the Notice.**
29. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2025.
30. **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 23, 2025 only shall be entitled to avail the facility of remote e-voting / through Poll Paper at the Annual General Meeting.**

The instructions for members voting electronically are as under:

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

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

- (i) The remote e-voting period commences on Saturday, 27th September, 2025 at 9:00 am and ends on Monday, 29th September, 2025 at 5:00 pm. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2025 may cast their vote by remote e-voting. The remote e-voting module

shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual Members 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 above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiestarehttps://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest,option to register is available at |

| | |
|--|--|
| | <p>https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>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.nsd.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.</p> <p>2) If the user is not registered for IDeASe-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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.</p> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | <p>1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>2) 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.</p> <p>3) 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.</p> |

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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-62343611. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-48867000 |

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

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

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

- After entering these details appropriately, click on SUBMIT” tab.
- Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password

field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For Members 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 Electronic Voting Sequence Number (EVSN) of SOMI CONVEYOR BELTINGS LIMITED 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If a Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Additional Facility for Note for Non-Individual Shareholders and Custodians:

- a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- b) Institutional shareholders should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) Institutional shareholders should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian. if any, in PDF Format in the system for the scrutinizer to verify the same.
- f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address md@somiconveyor.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xvii) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

31. The Board of Directors the Company has appointed Mrs. Ira Baxi (FCS: 5456; PCS: 4712), Practicing Company Secretary to act as the Scrutinizer to scrutinize for remote e-voting process and Voting through Poll taking place at the 25th Annual General Meeting of the Company in a fair and transparent

manner. She has communicated her willingness to be appointed and will be available for same purpose.

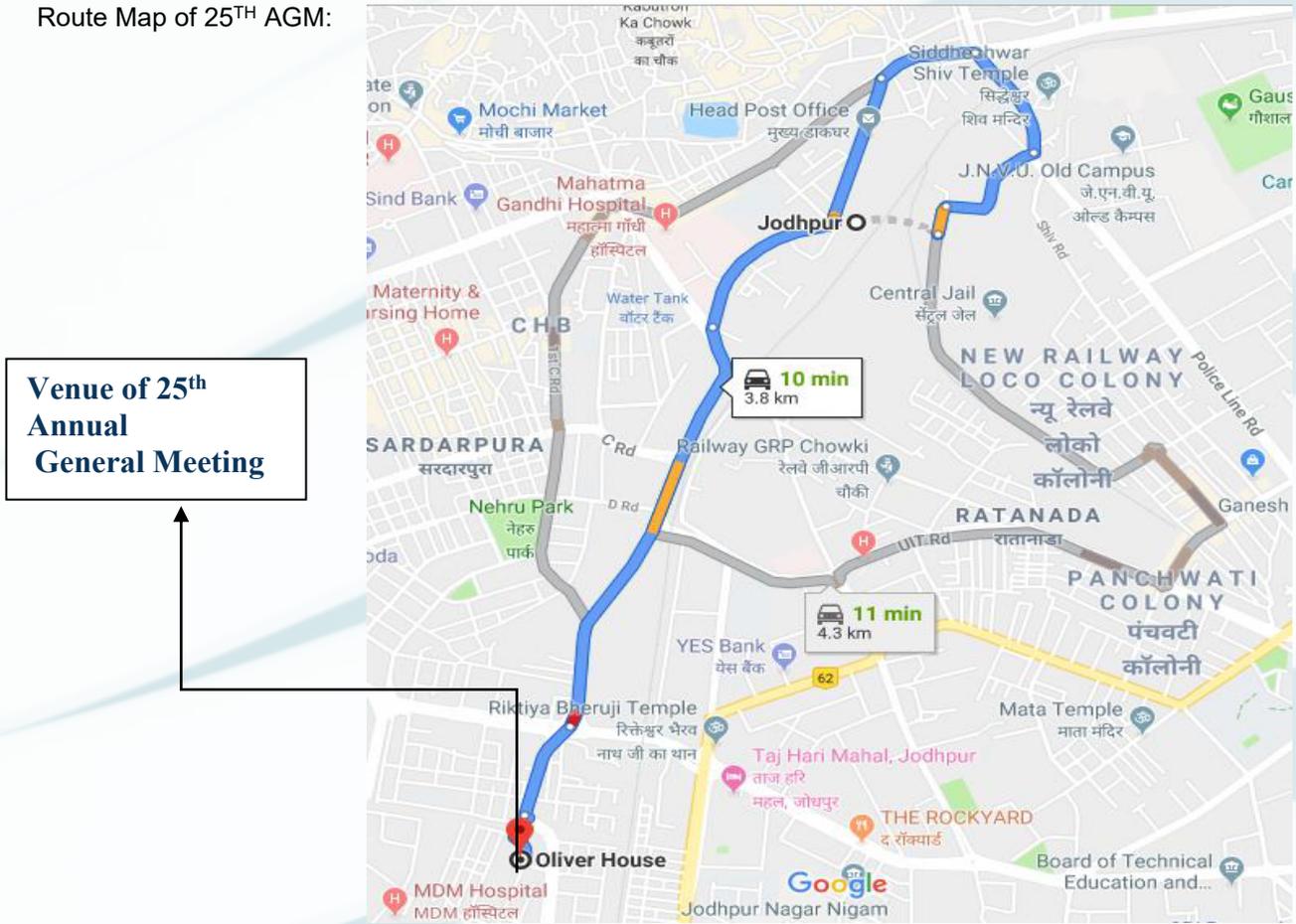
32. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.
33. The Results shall be declared after the receipt of the Scrutinizer's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.somiinvestor.com. The results shall also be immediately forwarded to the stock exchanges BSE Limited and NSE of India Limited.
34. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORYES.
 - a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - b) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 - c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 62343611.

All grievances connected with the facility for voting by electronic means may be addressed to Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-62343611.

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

37. Route Map of 25TH AGM:



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

Place: Jodhpur
Date: 4thSeptember, 2025

SD/-
(AMIT BAXI)
Company Secretary

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

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

As required by Section 102 (1) of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.3, Item No.4, Item No.5 and Item No.6 of the accompanying notice dated 4th September, 2025:

Item No. 3

The Board of Directors at their meeting held on May 30, 2025 approved the appointment of M/s. Anchal Jain & Co, Cost Accountants (FRN: 103706), to conduct the audit of cost records of the Company for the financial year ending March 31, 2025 at a remuneration of Rs. 35,000 plus applicable taxes and out of pocket expenses, as recommended by the Audit Committee of the Company.

In accordance with the provisions of Section 148 of the Act read with the Companies (Cost Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, ratification by the Members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025, by passing an Ordinary Resolution.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 4

The Board of Directors of the Company pursuant to the recommendations of the Nomination and Remuneration Committee proposed appointment of Mr. Rajesh Garg (DIN: 02444529) as a Director (Category: Independent Director) for the first term of five (5) consecutive years commencing from October 1, 2025 to September 30, 2030.

Mr. Rajesh Garg is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act"), and has given his consent to act as a Director.

The Company has received a declaration from Mr. Rajesh Garg stating that he meets the criteria of Independence as provided under Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time.

Further, she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Mr. Rajesh Garg fulfills the conditions specified in the Act, the rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and he is independent of the management. Further Mr. Rajesh Garg possesses appropriate skills and knowledge; inter alia, in the field of Accountancy and Law. His knowledge and skills will be useful for the Company.

In accordance with Section 150 (2) of the Companies Act, 2013, the aforesaid fact constitutes sufficient justification for appointment of Mr. Rajesh Garg as an Independent Director.

The letter of appointment containing terms and conditions of appointment of Mr. Rajesh Garg will be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, during business hours till the date of AGM.

As per Section 150 read with Section 152 (2) of the Companies Act, 2013 read with Regulation 25 (2A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the appointment of an Independent Directors needs to be approved by the shareholders by way of special resolution.

Accordingly, the Board recommends the resolution as set out at Item No. 4 of this Notice for approval of the members of the Company as Special Resolution.

Except Mr. Rajesh Garg none of the Directors / Key Managerial Personnel of the Company are in any way, concerned or interested, directly or indirectly in this item of business, in any manner whatsoever.

Details of Mr. Rajesh Garg seeking appointment at the AGM, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are provided in the Appendix to the Notice of AGM.

Item No. 5

The Board of Directors of the Company pursuant to the recommendations of the Nomination and Remuneration Committee proposed appointment of Mrs. Shashi Modi (DIN: 11214079) as a Director (Category: Non- Executive Independent Woman Director) for the first term of five (5) consecutive years commencing from October 1, 2025 to September 30, 2030.

Mrs. Shashi Modi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act"), and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Shashi Modi stating that she meets the criteria of Independence as provided under Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time.

Further, she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Mrs. Shashi Modi fulfils the conditions specified in the Act, the rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and she is independent of the management. Further Mrs. Shashi Modi possesses appropriate skills and knowledge; inter alia, in the field of Strategic Management and Research. Her knowledge and skills will be useful for the Company.

In accordance with Section 150 (2) of the Companies Act, 2013, the aforesaid fact constitutes sufficient justification for appointment of Mrs. Shashi Modi as an Independent Woman Director.

The letter of appointment containing terms and conditions of appointment of Mrs. Shashi Modi will be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, during business hours till the date of AGM.

As per Section 150 read with Section 152 (2) of the Companies Act, 2013 read with Regulation 25 (2A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the appointment of an Independent Directors needs to be approved by the shareholders by way of special resolution.

Accordingly, the Board recommends the resolution as set out at Item No. 5 of this Notice for approval of the members of the Company as Special Resolution.

Except Mrs. Shashi Modi none of the Directors / Key Managerial Personnel of the Company are in any way, concerned or interested, directly or indirectly in this item of business, in any manner whatsoever.

Details of Mrs. Shashi Modi seeking appointment at the AGM, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are provided in the Appendix to the Notice of AGM.

Item No. 6

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), every listed company is required to annex with its Board's Report, a secretarial audit report, issued by a Practising Company Secretary.

Pursuant to the Listing Regulations, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI.

In light of the aforesaid, the Board of Directors of the Company, pursuant to the recommendations of the Audit Committee, and after considering the experience, market standing, efficiency of the audit teams and independence, has recommended the appointment of M/s Saharia and Associates, Practising Company Secretaries, as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2030 at a remuneration of Rs. 25000/- for financial year 2025-26 plus out of pocket expenses, if any, incurred during the course of audit. The remuneration for subsequent financial years during the tenure of its appointment, shall be decided by the Board, on recommendation of Audit Committee, in consultation with the Secretarial Auditors.

M/s Saharia and Associates is a reputed firm of Company Secretaries based in Jaipur, with great experience in secretarial audits, certifications, corporate compliance, governance and related services and known for its thoroughness, regulatory acumen, and professional integrity.

M/s Saharia and Associates have provided their written consent to act as Secretarial Auditors of the Company and submitted necessary peer review certificate and other requisite disclosures/declarations in accordance with provisions of Regulation 24A of the SEBI LODR Regulations, 2015 and Section 204 of the Act and rules framed thereunder. The services to be rendered by M/s Saharia and Associates as Secretarial Auditor is within the purview of the said Regulation read with SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated December 31, 2024.

Accordingly, the Board recommends the resolution as set out at Item No. 6 of this Notice for approval of the members of the Company as Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

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

Place: Jodhpur
Date: 4th September, 2025

SD/-
(AMIT BAXI)
Company Secretary

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

APPENDIX TO ANNUAL GENERAL MEETING NOTICE

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

| Name of Director | Mrs. Payal Daga | Mr. Rajesh Garg | Mrs. Shashi Modi |
|---|--|---|--|
| Director Identification Number (DIN) | 07134985 | 02444529 | 11214079 |
| Date of Birth and Age | 09/10/1980 - 44 Years | 02/12/1972- 53 Years | 19/10/1982- 43 years |
| Nationality | Indian | Indian | Indian |
| Date of first appointment on the Board | 30/09/2022 | 01/10/2025 | 01/10/2025 |
| Qualifications | Post Graduation in Commerce | Graduation in Commerce | Graduation in Science |
| Brief resume, experience and Nature of expertise in specific functional areas. | 13 Years of Experience in Administration | 17 Years of Experience in the field of Corporate Law, Economist, Finance, Taxation | 8 Years of Experience in the field of Strategic Management |
| Directorships held in other Listed Companies | NIL | NIL | NIL |
| Membership of Board Committees in other Public Limited Companies | NIL | NIL | NIL |
| Shareholding in the Company | NIL | NIL | NIL |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | No relation | No relation | No relation |
| Other Information | Non-Executive Non-Independent Woman Director | Non-Executive Independent Director | Non-Executive Independent Woman Director |
| Remarks | Seeks Re-Appointment as Non-Executive Non-Independent Woman Director liable to retire by rotation. | Seeks Appointment as Non-Executive Independent Director for the first term of five consecutive years. | Seeks Appointment as Non-Executive Independent Woman Director for the first term of five consecutive years |

Details of Auditors seeking appointment / re-appointment as Secretarial Auditors at the Annual General Meeting in accordance with Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given herein below:

| Name of the Proposed Secretarial Auditor | M/s Saharia & Associates |
|---|---|
| Proposed fees payable to the Secretarial Auditor(s) | Remuneration of INR 25000/- for the financial year 2025-26 plus reimbursement of out of pocket expenses, if any, incurred during the course of audit. Remuneration for rest of tenure of appointment, as may be mutually agreed between the Board of Directors and Auditors from time to time. |
| Terms of Appointment | 5 (Five) consecutive years (from April 1, 2025 to March 31,2030) |
| Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change | The proposed fee will not materially vary from the fee paid to Mrs. Ira Baxi, outgoing Secretarial Auditors. |
| Basis of recommendation for appointment including the details in relation to and credentials of the Secretarial Auditor proposed to be appointed | <p>Basis of Recommendation: The Board of Directors of the Company, based on the recommendations of the Audit Committee, at its meeting held on August 12, 2025, had approved appointment of M/s. Saharia & Associates (ICSI Firm Registration No. S2021RJ802000), Peer Reviewed Company Secretary Firm, as Secretarial Auditor of the Company for the period of 5 (Five) years from April 1, 2025 to March 31, 2030, subject to approval of Members at ensuing Annual General Meeting.</p> <p>Credentials: M/s Saharia & Associates was established by Ms. Megha Saharia, Associate Member of Institute of Company Secretaries of India and having experience of over 4 years with wide and extensive experience in Secretarial Audit, Corporate Governance Services, Certifications, Consultancy and other related services.</p> |

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

SD/-
(AMIT BAXI)
Company Secretary

Place: Jodhpur
Date: 4th September, 2025

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



SOMI CONVEYOR BELTINGS LIMITED

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

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

Website: www.somiinvestor.com; Ph. No.: +91 98290 23471

PROXY FORM

[FORM MGT-11]

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

25TH ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2025

CIN: **L25192RJ2000PLC016480**

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

Registered office: **4F-15, Oliver House, New Power House Road, Jodhpur, Rajasthan - 342003**

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name: Address:

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

2. Name: Address:

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

3. Name: Address:

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **TWENTY FIFTH ANNUAL GENERAL MEETING** of the company, to be held on the Tuesday, 30th day of September, 2025 at 11:30 A.M. at 4F-15, "Oliver House" New Power House Road, Jodhpur-342003 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements for the Year ended 31st March, 2025, Auditors' and Directors' Report thereon.

2. Re-appointment of Mrs. Payal Daga as Director, liable to retire by rotation.

SPECIAL BUSINESS:

3. Ratification of remuneration payable to M/s. Anchal Jain & Co, Cost Accountants (FRN: 103706) for the FY ending March 31, 2025.

4. Appointment of Mr. Rajesh Garg as Non-Executive Independent Director for the first term of five consecutive years.

5. Appointment of Mrs. Shashi Modi as Non-Executive Independent Woman Director for the first term of five consecutive years.

6. Appointment of M/s Saharia and Associates, Practicing Company Secretaries, as the Secretarial Auditors and fix their remuneration for a term of five consecutive financial years commencing from April 1, 2025.

Signed this day of 20....

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Rs.1
Revenue
Stamp

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



SOMI CONVEYOR BELTINGS LIMITED

Registered Office: 4 F-15 "Oliver House", New Power House Road, Jodhpur – 342003
CIN: L25192RJ2000PLC016480; Email: md@somiconveyor.com
Website: www.somiinvestor.com; Ph. No.: +91 98290 23471

ATTENDANCE SLIP

25TH ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2025

Joint Shareholders may obtain additional Attendance Slip on request.

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

Name & Address of Shareholder:

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

Applicable for Member holding Shares in electronic form

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

I hereby record my presence at the **TWENTY FIFTH ANNUAL GENERAL MEETING** of the company on Tuesday, September 30, 2025 at 11:30 AM at 4F-15, "Oliver House", New Power House Road, Jodhpur-342003

Members/Proxy's name in BLOCK Letters
Signature

Members/Proxy's

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

Director's Report

Dear Members

Your Board of Directors ("the Board") take pleasure of presenting the 25th Annual Report of your Company together along with the Audited Financial Statements for the financial year ended 31st March 2025.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year ended March 31, 2025 compared with previous Financial Year is summarized below:

| FINANCIAL RESULTS | (Rs. in Lakhs) | |
|---|----------------|----------|
| | 2024-25 | 2023-24 |
| Total Sales | 10123.77 | 10210.69 |
| Profit Before Interest, Depreciation and taxation | 1005.75 | 848.36 |
| Interest | 109.70 | 121.64 |
| Depreciation | 132.82 | 116.82 |
| Profit Before Tax | 763.23 | 609.90 |
| Provision for Tax | (193.73) | (150.77) |
| Prior Period Tax | (18.80) | ----- |
| Add/(Less) Deferred Tax | (2.80) | (3.87) |
| Profit After Tax | 548.62 | 455.26 |
| Other Comprehensive Income | (0.41) | (0.21) |
| Total Comprehensive Income for the year | 548.21 | 455.05 |

The above mentioned financial performance highlights are an abstract of the Financial Statements of your Company for the Financial Year 2024-2025. The detailed Financial Statements of your Company forms part of this Annual Report and are also uploaded on website of your Company i.e. www.somiinvestor.com.

During the financial year 2024-25, there has been slight decline in Company's revenue from operation marginally by **0.85%** and it stood at **Rs.10123.77 Lakhs** as compared to **Rs.10210.69 Lakhs** in the previous financial year. However, the Net profit after Tax for the year reached at **Rs.548.21 Lakhs** as compared to that of **Rs.455.26 Lakhs** in the previous year, resulting in increase in Profits of the Company by **20.47%**.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

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

DIVIDEND

Considering the Company's growth, future strategy and plans, the Board of Directors consider it prudent to conserve resources and do not recommend any dividend on equity shares for the financial year 2024-25.

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

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

TRANSFER TO RESERVE

The Board has decided to retain the entire amount of profit for FY25 in the distributable retained earnings.

CREDIT RATING

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

| Particulars | Ratings Assigned |
|----------------------------|------------------|
| Long Term Bank Facilities | CRISIL BBB- |
| Short Term Bank Facilities | CRISIL A3 |

ANNUAL RETURN

Pursuant to Section 134 (3) (a) of the Act, the draft annual return for Financial Year 2024-25 prepared in accordance with Section 92(3) of the Act is made available on your website of the Company and can be accessed through the following link <https://www.somiinvestor.com/Annual-Return>.

NUMBER OF MEETINGS OF THE BOARD

Your Company's Board of Directors met 9 (nine) times during the financial year ended March 31, 2025 in accordance with the provisions of the Act and the Rules made there under. The meetings were held on 30.05.2024, 25.06.2024, 14.08.2024, 04.09.2024, 25.10.2024, 14.11.2024, 17.12.2024, 14.02.2025, and 28.03.2025 of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act. Detailed information is given in the Corporate Governance Report.

The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013, Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMMITTEES OF THE BOARD

As required under the Act and the SEBI Listing Regulations, your Company has constituted various Committees of the Board and they focus on certain specific areas and make informed decisions in line with the delegated authority.

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

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

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

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

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

During the financial year 2024-25, following changes took place in the management of the Company:

1. Mrs. Payal Daga (DIN – 07134985) was appointed as Non-Executive Non-Independent Woman Director on the Board of the Company liable to retire by rotation, in the 24th Annual General Meeting held on September 30, 2024.
2. Mrs. Rekha Bhandari (DIN – 10752471) was appointed as Non – Executive Independent Woman Director, to hold office for the first term of 5(Five) consecutive years w.e.f October 1, 2024, in the 24th Annual General Meeting held on September 30, 2024.
3. Ms. Saraswati Choudhary (DIN – 09835573) Non- Executive Independent Director of the company, had resigned from the directorship of the Company with effect from October 25, 2024.

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

The Board of Directors on the recommendation of Nomination and Remuneration Committee has proposed appointment of Mr. Rajesh Garg and Mrs. Shashi Modi as Independent Directors of the Company. Approval of the Members is being sought at the ensuing Annual General Meeting for their appointment and the requisite details in this connection are contained in the Notice convening the meeting.

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

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2024-25, the Company imparted Familiarization Programme to Independent Directors to familiarize them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, review of investments of the Company, business model of the Company, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the familiarization programme are available on the website of the Company at www.somiinvestor.com

Further, in the opinion of the Board, all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

PERFORMANCE EVALUATION

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

An annual performance evaluation for the financial year 2024-25 was carried out by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings. The questionnaires were circulated to the Board members and the Committee members of the Nomination and Remuneration Committee at the time of performance evaluation conducted at their respective meetings. The Directors and the Committee members then filled-up the questionnaire and rated the Board, its Committees and individual Directors and duly filled questionnaires were handed over to the Company Officer.

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

Similarly, performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors of your Company at its separate meeting held on March 28, 2025. Your Directors also expressed their satisfaction with the evaluation process.

TRAINING OF INDEPENDENT DIRECTORS

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

DECLARATION OF INDEPENDENT DIRECTORS

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

MEETING OF INDEPENDENT DIRECTORS

Your Company's Independent Directors meet at least once in every financial year without the presence of the Executive Directors or Management Personnel of your Company and the Meeting is conducted formally. During the year under review, one meeting of Independent Directors was held on March 28, 2025.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual accounts for the financial year ended 31st March 2025, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit or loss of the Company for the year ended on that date;

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

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

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

KEY MANAGERIAL PERSONNEL

In accordance with Section 2(51) and Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following individuals have been designated as the **Key Managerial Personnel (KMP)** of the Company:

- **Mr. Om Prakash Bhansali** – Managing Director
- **Mr. Gaurav Bhansali** – Whole-time Director
- **Mr. Vimal Bhansali** – Whole-time Director
- **Mr. Manish Bohra** – Chief Financial Officer
- **Mr. Amit Baxi** – Company Secretary

During the financial year 2024–25, the composition of the Board and Key Managerial Personnel was in compliance with the applicable provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There was **no change** in the Key Managerial Personnel of the Company during the financial year under review.

During the financial year 2024-25, the constitution of the Board complies with the requirements of the Act, and the SEBI Listing Regulations. There was no change in Key Managerial Personnel of your Company during the financial year 2024-25.

AUDITORS & THEIR REPORTS

STATUTORY AUDITORS & THEIR REPORT

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s Singhvi & Mehta, Chartered Accountants (Firm Registration Number 002464W), were re-appointed as the Statutory Auditors of your Company, for the second term of five years till the conclusion of 27th Annual General Meeting (AGM) of your Company to be held in the year 2027.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

M/s. Singhvi & Mehta, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2024-25, which forms part of the Annual Report 2024-25. The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

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

INTERNAL AUDITORS

The Board based on the recommendations of the Audit Committee has re-appointed an independent audit firm M/s. B P Bang and Company, Chartered Accountants as Internal Auditors of the Company to carry out the internal audit functioning for FY 2026. M/s. B P Bang and Company, Chartered Accountants have confirmed that they are free from any disqualifications and also their independence and arm's length relationship with the Company.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Act and rules framed thereunder and based on the recommendation of Audit Committee, the Board of Directors, at its meeting dated May 30, 2024, had appointed FCS Ira Baxi (FCS: 5456; CP: 4712), Practicing Company Secretary, Jodhpur as the Secretarial Auditors of the Company for the financial year 2024-25. The Company provided all the assistance and the facilities to the Secretarial Auditors for conducting the secretarial audit and has obtained Secretarial Audit Report for the Financial Year 2024-25 in the prescribed Form MR-3 which forms part of the Annual Report and is appended as **"Annexure – I"** to this Report.

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

In addition to the above Secretarial Audit and pursuant to the requirements of Regulation 24A of the Listing Regulations FCS Ira Baxi, Practicing Company Secretary, have also issued to your Company, Annual Secretarial Compliance Report for the financial year 2024-25 confirming compliance of all laws, SEBI Regulations and circulars/ guidelines issued thereunder, applicable to your Company. The Annual Secretarial Compliance Report dated May 21, 2025 issued by M/s. FCS Ira Baxi, Practicing Company Secretary has been submitted to the stock exchanges within 60 days from the financial year ended March 31, 2025.

Further, pursuant to provisions of amended Regulation 24A of SEBI LODR Regulations, based on recommendation of Audit Committee, the Board of Directors, post evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., and subject to approval of Members of the Company at ensuing AGM, had approved appointment of M/s Saharia & Associates (Firm Registration No. S2021RJ802000), Peer Reviewed Practicing Company Secretaries Firm, as Secretarial Auditors of the Company for a term of 5 (five) consecutive years, commencing from April 1, 2025 till March 31, 2030.

COST AUDIT RECORDS AND COST AUDITORS

During the year under review, in accordance with Section 148(1) of the Act, your Company has maintained the accounts and cost records, as specified by the Central Government.

In terms of Section 148 of the Act, Board of Directors of the Company has appointed M/s. Anchal Jain & Co., (FRN: 103706) Cost Accountants, as Cost Auditors of your Company to conduct cost audit for the FY 2025-26 for auditing the Cost Records relating to the Rubber and allied products.

A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditors for FY25 is provided in the Notice of the ensuing AGM.

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

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

CHANGE OF NAME OF THE REGISTRAR AND SHARE TRANSFER AGENT

The Company has been informed by the Registrar and Share Transfer Agent that consequent to the acquisition of Link Group by Mitsubishi UFJ Trust and Banking Corporation by way of Scheme of Arrangement, the name of the Registrar and Share Transfer Agent of the Company changed from Link Intime India Private Limited to MUFG Intime India Private Limited with effect from December 31, 2024.

SHARE CAPITAL

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

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

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

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

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

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

Details of transactions with Related Parties for the period 01.04.2024 to 31.03.2025

| | | | (Rs. In Lakhs) |
|--------------------------------|--------------------------|--------------------------|----------------|
| Particulars | Nature of Relationship | Name of Related Party | 31.03.2025 |
| Sale of Goods | WHERE RKMP HAS INFLUENCE | Oliver Rubber Ind. LLP. | 203 |
| Purchase | WHERE RKMP HAS INFLUENCE | Oliver Rubber Ind. LLP. | 1.36 |
| | | Earth Movers Enterprises | 0.63 |
| Managerial Remuneration | KMP | Om Prakash Bhansali | 35.40 |
| | | Vimal Bhansali | 28.80 |
| | | Gaurav Bhansali | 28.80 |
| | | Manish Bohra | 19.07 |
| | | Amit Baxi | 5.21 |
| Salary | RKMP | Anita Bohra | 6.62 |
| | | Dhananjay Bhansali | 3.26 |
| | | Priyansh Bhansali | 0.66 |
| Interest Paid | KMP | Vimal Bhansali | 0.038 |
| Loan Paid | KMP | Vimal Bhansali | 124.36 |
| | | Manish Bohra | 18.30 |
| Rent Paid | KMP | Om Prakash Bhansali | 1.10 |

DEPOSIT FROM PUBLIC

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

CYBER SECURITY

In view of increased cyber-attack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

RISK MANAGEMENT

The Company acknowledges that risk is an inherent aspect of business and is committed to managing it proactively and effectively. Our success depends on the ability to identify and capitalize on opportunities while mitigating potential risks. We follow a structured process to continuously assess both internal and external risks and to minimize their impact. Risk mitigation measures are integrated into our strategic and operational plans. The objective of our Risk Management process is to foster value creation in an uncertain environment, uphold strong governance, proactively address stakeholder expectations, and enhance organizational resilience for sustainable growth.

The Company has adopted enterprise-wide Risk Management Framework to enable a well-defined and institutionalized approach towards risk management and lay down broad guidelines for timely identification, assessment, mitigation, monitoring and governance of key strategic risks so as to ensure that the risk is adequately addressed or mitigated through a robust management action plan.

The Company regularly reviews and enhances the adequacy and effectiveness of its risk management systems in response to the rapidly changing business environment and increasing complexities, aiming to keep risks within the defined risk appetite.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company is committed to the highest standards of ethical, moral, legal, and compliance practices in all its business operations. To ensure that its activities are conducted with fairness, transparency, responsibility, professionalism, honesty, and integrity, the Company has implemented a Whistle Blower Policy in accordance with Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (LODR) Regulations. This policy enables directors and employees to report genuine concerns and addresses instances of fraud or mismanagement, if any.

The policy includes safeguards to protect directors, employees, or any individual using the mechanism from victimization, and allows direct access to the Chairperson of the Audit Committee in appropriate or exceptional circumstances. The Company actively promotes ethical conduct across all business activities, aligning with global best governance practices and maintaining high standards of corporate governance and stakeholder accountability.

Through this Vigil Mechanism, the Company addresses cases of unethical behavior, suspected or actual fraud, or violations of its Code of Conduct or Ethics Policy.

The details of complaints received / disposed / pending during the year ended March 31, 2025, are as under:

| Particulars | Details |
|--|----------------|
| No. of Complaints received during the year | NIL |
| No. of Complaints disposed off during the year | NIL |
| No. of cases pending as on March 31, 2025 | NIL |

Full details of the policy are provided in the Corporate Governance Report and are available on the Company's website.

DISCLOSURE ON CONFIRMATION WITH THE SECRETARIAL STANDARDS

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

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

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

DISCLOSURE ON ONE TIME SETTLEMENT

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

PREVENTION OF INSIDER TRADING

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

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

INTERNAL FINANCIAL CONTROL

The Board of Directors is responsible for establishing and overseeing the Company's internal financial controls. Robust mechanisms are in place to ensure operational efficiency, regulatory compliance, and adherence to all applicable laws. The Board periodically reviews the adequacy and effectiveness of these controls. The Company's policies, procedures, control structures, and management systems are aligned with the requirements of Internal Financial Controls under the Companies Act, 2013, and are implemented at both entity and process levels to ensure compliance, accuracy in financial reporting, and integrity of operational data.

The Company maintains a robust control environment supported by well-defined corporate policies, processes, and standard operating procedures, along with an institutionalized compliance framework. This framework ensures the orderly and ethical conduct of business, safeguards the Company's assets, optimizes the use of resources, and enables the timely and accurate recording of all corporate transactions. These measures facilitate the efficient conduct of operations in full compliance with Company policies. Standard operating procedures and policies are established for each functional area, and their effectiveness is periodically reviewed and tested.

The Internal Auditor conducts ongoing assessments to evaluate the adequacy and effectiveness of internal controls and processes.

TRANSFERS TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Equity Shares:

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

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

Transfer of Unpaid/Unclaimed Dividend:

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

Your Company has uploaded the details of unclaimed/ unpaid dividend for the financial year 2017-18 on its website i.e. www.somiinvestor.com and on website of the Ministry of Corporate Affairs i.e. www.mca.gov.in and the same gets revised/updated from time to time pursuant to the provisions of IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount Lying with Companies) Rules, 2012.

Further, the unpaid final dividend amount pertaining to the financial year 2017-18 will be transferred to IEPF during the Financial Year 2025-26.

CORPORATE SOCIAL RESPONSIBILITY

In pursuance of the Corporate Social Responsibility Policy and in line with the requirement of the Act, every company must spend 2% of the average net profits of the Company for the preceding three years towards the Corporate Social Responsibility activities as stated in the Act. Based on the computation as per Section 135 of the Act, the Company contributed Rs. 9.00 lakhs towards Corporate Social Responsibility activities for the year ended March 31, 2025.

A detailed update on the Corporate Social Responsibility initiatives of the Company is provided in the Annual Report as Report on Corporate Social Responsibility, which forms part of this Report. The Corporate Social Responsibility policy is available on the Company's website at <https://www.somiinvestor.com/policies>.

The Annual Report on the CSR activities in the format prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **Annexure-III** to this Report.

CORPORATE GOVERNANCE

The Company's governance framework is founded on the principles of openness, integrity, professionalism, and accountability. These principles guide the transparent and effective execution of strategy, ensuring the creation of sustainable, long-term value for all stakeholders, including shareholders, business partners, and employees.

The Board of Directors is firmly committed to upholding strong standards of Corporate Governance. Beyond complying with statutory requirements, the Board strives to set benchmarks that surpass regulatory expectations. Its responsibilities encompass shaping corporate strategy, approving material acquisitions and divestments, overseeing major capital expenditures, determining the capital structure and financing decisions, and ensuring the adequacy of policies, procedures, and internal controls. The Board also plays a vital role in fostering a positive organizational culture and promoting the highest standards of ethical conduct.

The Company remains dedicated to continuous enhancement of its governance practices. By adhering to globally recognized best practices, it not only safeguards the rights of all shareholders—including minority shareholders—but also reinforces trust through the timely and accurate disclosure of performance, management, and governance information.

In accordance with the provisions of per Regulation 34 read with Schedule V(c) of the SEBI Listing Regulations, as amended from time to time, the Corporate Governance Report is included and forms part of the Annual Report along with the requisite Certificate regarding compliance of the conditions of Corporate Governance as stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, issued by Mrs. Ira Baxi, Practicing Company Secretary, certifying compliance with the conditions of corporate governance. It also includes

a certificate from the Managing Director and Chief Financial Officer of the Company about compliance by the Company in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

SHARE REGISTRY ACTIVITIES

All work related to share registry is handled by MUFG Intime India Private Limited, a Registrar and Share Transfer Agent registered with SEBI.

LISTING WITH STOCK EXCHANGE

Equity shares of your company continue to remain listed with National Stock Exchange of India Limited and BSE Limited. There are no arrears in payment of listing fees and the stipulated listing fee for financial year 2024-25 has been paid.

DEMATERIALIZATION OF SHARES

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

INSURANCE

Assets of your Company remain adequately insured against various perils.

HEALTH, SAFETY AND ENVIRONMENT

Ensuring the safety and well-being of our employees is of paramount importance. We dedicate significant efforts to uphold high standards of Health, Safety, and Environment (HSE) in the workplace, recognizing that any lapses in these areas could have serious consequences.

As a firm commitment to Health, Safety and Environment (HSE), we maintain strict adherence to health and safety protocols across all our plants and office locations. We regularly conduct health and safety training for employees and workers, supplemented by periodic audits and surprise checks to ensure full compliance with all protocols.

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

While an accident may cause damage to reputation and incite potential legal actions by local authority, practicing / delivering best in class HSE performance has created positive differences to all direct and indirect stakeholders of the company. It has enhanced the brand value significantly as well.

In pursuance to HSE Policy your Company's management has devoted all their efforts to protect and maintain safety environment in the Company. The Company has taken all possible measures to segregate hazardous and

non-hazardous substances. Health, Safety and Environment involves proactive approach to create safe working environment, continuous safety education and training, periodic review of programs and evaluation of incidents.

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

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

PARTICULARS OF EMPLOYEES AND REMUNERATION

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

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

| Non-Executive Directors | Ratio to Median Remuneration |
|--------------------------------|-------------------------------------|
| Mr. Mahendra Rakhecha | NIL |
| Mr. Yogesh Maheshwari | NIL |
| Mr. Santosh Kumar Joshi | NIL |
| Mrs. Payal Daga | NIL |
| Mrs. Saraswati Choudhary | NIL |
| Mrs. Rekha Bhandari | NIL |
| Executive Directors | |
| Mr. Om Prakash Bhansali | 9.54:1 |
| Mr. Vimal Bhansali | 7.76:1 |
| Mr. Gaurav Bhansali | 7.76:1 |

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

| Name of Person | % Increase in remuneration |
|---|-----------------------------------|
| Mr. Mahendra Rakhecha | NIL |
| Mr. Yogesh Maheshwari | NIL |
| Mr. Santosh Kumar Joshi | NIL |
| Mrs. Payal Daga | NIL |
| Mrs. Saraswati Choudhary | NIL |
| Mrs. Rekha Bhandari | NIL |
| Mr. Om Prakash Bhansali, MD & CEO | NIL |
| Mr. Vimal Bhansali | NIL |
| Mr. Gaurav Bhansali | NIL |
| Mr. Manish Bohra, Chief Financial Officer | 6% |
| Mr. Amit Baxi, Company Secretary | 4.20% |

- (c) **the percentage increase in the median remuneration of employees in the financial year: 2.82%**
- (d) **the number of permanent employees on the rolls of company:109**
- (e) **the explanation on the relationship between average increase in remuneration and company performance:**
There is no direct relation between the average remuneration of the employees vis-à-vis Company Performance

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

| Particulars | Rs.(in lakhs) |
|---|---------------|
| Remuneration of Key Managerial Personnel (KMP) during financial year 2024-25 (aggregated) | 117.28 |
| Revenue from operations | 10123.77 |
| Remuneration (as % of revenue) | 1.16% |
| Profit before tax (PBT) | 763.23 |
| Remuneration (as % of PBT) | 15.37% |

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

| Particulars | Unit | As at 31 st Mar 25 | As at 31 st Mar 24 | Variation |
|------------------------------|---------------|----------------------------------|----------------------------------|-----------|
| Closing rate of share at BSE | Rs. | 178.40 | 132.75 | 45.65 |
| Closing rate of share at NSE | Rs. | 177.77 | 133.10 | 44.67 |
| EPS (Consolidated) | Rs. | 4.66 | 3.86 | 0.80 |
| Market Capitalization (BSE) | Rs.(in lakhs) | 21014.90 | 15637.49 | 5377.41 |
| Market Capitalization (NSE) | Rs.(in lakhs) | 20940.69 | 15678.72 | 5261.97 |
| Price Earning Ratio (BSE) | Ratio | 38.28 | 34.39 | 3.89 |
| Price Earning Ratio (NSE) | Ratio | 38.15 | 34.48 | 3.67 |

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

Average percentile increases in the salaries of Employees other than the managerial personal is 5.04% which is slightly lower than the percentile increase in the remuneration of managerial personals.

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

| Particulars | Om Prakash Bhansali Managing Director | Vimal Bhansali Whole-Time Director | Gaurav Bhansali Whole-Time Director | Chief Financial Officer | Company Secretary |
|-----------------------------------|--|---|--|-------------------------------|----------------------|
| | Rs.(in lakhs) | Rs.(in lakhs) | Rs.(in lakhs) | Rs.(in lakhs) | Rs.(in lakhs) |
| Remuneration | 35.40 | 28.80 | 28.80 | 19.08 | 5.21 |
| Revenue | 10123.77 | 10123.77 | 10123.77 | 10123.77 | 10123.77 |
| Remuneration (as % of revenue) | 0.35% | 0.28% | 0.28% | 0.19% | 0.05% |
| Profits before tax (PBT) | 763.23 | 763.23 | 763.23 | 763.23 | 763.23 |
| Remuneration (as % of PBT) | 4.64% | 3.77% | 3.77% | 2.50% | 0.68% |

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

As an endeavour to educate and empower employees and others within the organisation regarding POSH, virtual and classroom awareness sessions were conducted throughout the year. Additionally, an e-learning module is also in place for easy learning.

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

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

The following are the summary of the complaints received and disposed off during FY 2024-25:

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

MATERNITY BENEFITS

We support women employees through their motherhood phase by providing maternity leave as outlined in the Maternity Benefit Act. We have wellness framework to support through reserved parking places for expecting mothers, health awareness session, medical insurance cover, creche facility and flexible work arrangements including remote options. These provisions helps them manage both personal and professional responsibilities with greater ease.

| FY 2024-25 | Maternity Leave |
|--|-----------------|
| No. of Employees Entitled to Parental Leave | NIL |
| No. of Employees that Took Parental Leave | NIL |

| | |
|---|-----|
| No. of Employees Who Returned to Work after the Leave | NIL |
| No. of Employees Still Employed 12 Months After Returning | NIL |
| Return to Work Rate (%) | NIL |
| Retention Rate (%) | NIL |
| No. of Employees Who Took Parental Leave in FY 2024-25 | NIL |

RESEARCH AND DEVELOPMENT

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

The Company is actively engaged in tapping these fast-emerging opportunities supported by investments in manufacturing infrastructure, registrations, research and development to expand the addressable market with wider active ingredient portfolio and enhanced customer base.

The Company is into regular advancement of their machineries, and currently planning for increasing its production capacity for which order for few machineries have also been placed.

Research and Development team constantly focus on producing innovative products that cater to evolving industry needs.

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

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

(A) CONSERVATION OF ENERGY

a. Energy Conservation Measures taken

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

b. Capital Investment on energy conservation equipments

NIL

FORM A

I. Disclosure of Particulars with respect to Conservation of Energy

| Power & Fuel Consumption | Unit of Measurement | Current Year (2024-25) | Previous Year (2023-2024) |
|--|---------------------|------------------------|---------------------------|
| 1. Electricity | KWH/MWH | | |
| a) Purchased | | | |
| Unit | | 27,31,068.00 | 24,66,992.00 |
| Total Amount | | 2,61,13,927.00 | 2,38,05,203.00 |
| Rate/ Unit | | 9.56 | 9.65 |
| b) Own Generation | NIL | NIL | NIL |
| 2. Coal | NIL | NIL | NIL |
| 3. Furnace oil | NIL | NIL | NIL |
| 4. Others / internal generation | NIL | NIL | NIL |

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

| S. No. | Product | Standard Budget Norms (2024-25) (Rs) | Current Year (2024-25) (Rs) | Previous Year (2023-24) (Rs) |
|--------|---------------|---|--------------------------------|---------------------------------|
| 1 | Conveyor Belt | 125.00 | 125.75 | 125.10 |

(B) TECHNOLOGY ABSORPTION
FORM B
Disclosure of Particulars with respect to Technology Absorption
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

| FOREIGN EXCHANGE | (Rs. In Lakhs) | |
|---------------------------|----------------|---------|
| | 2024-25 | 2023-24 |
| Foreign Exchange Earnings | 27.10 | - |
| Foreign Exchange Outgo | 14.11 | 310.70 |

ACKNOWLEDGEMENT

Your Directors express their deep gratitude for the invaluable guidance, support, and assistance extended by the Government of India, the State Governments, various regulatory authorities, financial institutions, and banks. The Board also conveys its heartfelt thanks to all esteemed shareholders, customers, suppliers, and business partners for the trust, confidence, and continued association with your Company.

The Directors place on record their sincere appreciation of the unwavering commitment, hard work, and contribution of employees at all levels, which have been instrumental in driving the growth and success of the Company.

It remains the constant endeavor of your Company to foster and strengthen enduring partnerships with all stakeholders, founded on mutual respect, shared benefits, and cooperation, while safeguarding consumer interests. The Board looks forward to the continued support and goodwill of all stakeholders in the years ahead.

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

Place: Jodhpur
DATE: 4TH September, 2025

**SD/-
O P BHANSALI
(Managing Director)
DIN: 00351846**

**SD/-
VIMAL BHANSALI
(Whole time Director)
DIN: 00351851**

Annexure – I

**Form MR - 3
Secretarial Audit Report
for the Financial Year Ended 31st March, 2025**

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SOMI CONVEYOR BELTINGS LIMITED** having **CIN L25192RJ2000PLC016480** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **SOMI CONVEYOR BELTINGS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2025**

- complied with the statutory provisions listed hereunder and
- proper Board-processes and compliance-mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) for the financial year ended on **March 31, 2025** according to the provisions of:

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

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable as there was no reportable event during the financial year under review;**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review;**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable as there was no reportable event during the financial year under review;**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable as there was no reportable event during the financial year under review;** and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Laws as applicable to the company [Provided in **Appendix B**].

I further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Labor laws, Environment laws and other legislations.

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

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

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

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

I further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda (except agenda items having Unpublished Price Sensitive Information (UPSI)) were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

For the agenda notes which were sent at a notice of less than seven days, the requisite consent of the Board/Committee was taken.

- Majority decision is carried through and there was no instance of any director expressing any dissenting views.

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

I further report that during the period under review none of the following events has taken place –

- I. Public/Rights/Preferential Issue of Shares/Debentures etc.
- II. Buy-back of securities.
- III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
- IV. Amalgamation/Reconstruction, etc.
- V. Foreign Technical Collaborations.

Place: Jodhpur
Date: 25/08/2025

IRA BAXI
Practicing Company Secretary
FCS No.: 5456; CP No.: 4712
UDIN: F005456G001078682
PR No.: 2991/2023

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

APPENDIX -A

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

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

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

Place: Jodhpur
Date: 25/08/2025

IRA BAXI
Practicing Company Secretary
FCS No.: 5456; CP No.: 4712
UDIN: F005456G001078682
PR No.: 2991/2023

APPENDIX-B

LIST OF OTHER LAWS APPLICABLE TO SOMI CONVEYOR BELTINGS LIMITED

| Sr. No. | Name of Acts/Rules/Regulations |
|---------|---|
| 1. | The Competition Act, 2002 |
| 2. | The Environment (Protection) Act, 1986 |
| 3. | The Water (Prevention & Control of Pollution) Act, 1974 |
| 4. | The Air (Prevention & Control of Pollution) Act, 1981 |
| 5. | The Public Liability Insurance Act, 1991 |
| 6. | Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 |
| 7. | The Factories Act, 1948 |
| 8. | The Industrial Disputes Act, 1947 |
| 9. | The Payment of Wages Act, 1936 |
| 10. | The Minimum Wages Act, 1948 |
| 11. | The Employees' State Insurance Act, 1948 |
| 12. | The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 |
| 13. | The Payment of Bonus Act, 1965 |
| 14. | The Payment of Gratuity Act, 1972 |
| 15. | The Contract Labour (Regulation and Abolition) Act, 1970 |
| 16. | The Maternity Benefit Act, 1961 |
| 17. | The Child Labour (Prohibition and Regulation) Act, 1986 |
| 18. | The Industrial Employment (Standing Orders) Act, 1946 |
| 19. | The Employees' Compensation Act, 1923 |
| 20. | The Apprentices Act, 1961 |
| 21. | The Equal Remuneration Act, 1976 |
| 22. | Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 |
| 23. | Indian Trade Union Act, 1926 |
| 24. | The Person with Disability Act, 1995 |
| 25. | The Income Tax Act, 1961 |
| 26. | The Central Excise Act, 1944 |
| 27. | The Customs Act, 1962 |
| 28. | The Foreign Exchange Management Act, 1999 |
| 29. | The Employees Pension Scheme, 1995 |
| 30. | Accounting Standards |
| 31. | Bharatiya Nyaya Sanhita, 2023. |
| 32. | Bharatiya Sakshya Adhinyam, 2023 |
| 33. | Bharatiya Nagarik Suraksha Sanhita, 2023 |
| 34. | The Code of Civil Procedure, 1908 |
| 35. | The Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013 |
| 36. | The Central Goods and Services Tax Act, 2017 |
| 37. | The Integrated Goods and Services Tax Act, 2017 |
| 38. | The Union Territory Goods and Services Tax Act, 2017 |
| 39. | All Rules/Regulations in relation to above specified Acts. |

Place: Jodhpur
Date: 25/08/2025

IRA BAXI
Practicing Company Secretary
FCS No.: 5456; CP No.: 4712
UDIN: F005456G001078682
PR No.: 2991/2023

Annexure – II

Form No. AOC-2

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

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

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

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

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

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

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

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

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

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

Place: Jodhpur
DATE: 4th September, 2025

**SD/-
O P BHANSALI
(Managing Director)
DIN: 00351846**

**SD/-
VIMAL BHANSALI
(Whole time Director)
DIN: 00351851**

Annexure – III

Annual Report on Corporate Social Responsibility (CSR) Activities

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

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

As your company deeply committed to our social responsibilities, we are dedicated to positively empowering the communities in which we operate. Woven in the ethos of philanthropy and a steadfast commitment to giving back, Your company is focused on enhancing the well-being of these stakeholders.

2. Composition of the CSR Committee

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

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

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

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

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

5. (a) Average net profit of the Company as per Section 135(5): 4,31,53,078.12

(b) Two percent of average net profit of the Company as per Section 135(5): 8, 63,061.56

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

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

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

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). 900,000.00

(b) Amount spent in Administrative Overheads. NIL

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

(d) Total amount spent for the Financial Year [(a) + (b) + (c)]. 900,000.00

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

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|--|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per Sec 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5) | | |
| | Amount | Date of Transfer | Name of Fund | Amount | Date of Transfer |
| 9,00,000.00 | N.A. | N.A. | N.A. | N.A. | N.A. |

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

| S. No. | Particulars | Amount (in Rs) |
|--------|---|----------------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the Company as per Section 135(5) | 8,63,061.56 |
| (ii) | Total amount spent for the Financial Year | (9,00,000.00) |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 36,938.44 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 36,938.44 |

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

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

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

Yes No

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

Not Applicable

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

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

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

SD/-

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

Place: Jodhpur
Date: 4thSeptember, 2025

Report on Corporate Governance

In compliance with Regulation 34(3) and Regulation 53(f), read with Section C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Corporate Governance Report for the year ended 31st March, 2025 is presented below.

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

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At SCBL, good corporate governance is a way of life and the way we do our business, encompassing every day’s activities and is enshrined as a part of our way of working.

Your Company is focused on enhancement of long-term value creation for all the stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances.

Company’s Governance Philosophy



At SCBL, integrity and transparency form the cornerstone of our corporate governance practices. These principles are essential to building and sustaining the trust of our stakeholders. We believe that fair and transparent management of the Company’s affairs is imperative. Through strong corporate governance, we ensure effective direction and control, enabling us to deliver optimal value to our stakeholders.

The Secretarial Auditor has issued a Certificate stating that the Company has complied with the conditions of Corporate Governance during the year ended 31st March 2025, as stipulated in the Listing Regulations.

II. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The primary role of the Board is that of trusteeship – to protect and enhance shareholder value.

The Board is, inter alia, entrusted with the following responsibilities:

- (a) the formulation of the Company's long-term business strategy and the oversight of its implementation;
- (b) the enhancement of shareholder value and the protection of the interests of all stakeholders through sound and effective management;
- (c) the monitoring and evaluation of the effectiveness of the Company's corporate governance framework; and
- (d) the exercise of strategic oversight and control over the Company's operations to ensure the fulfillment of stakeholder expectations and the creation of sustainable long-term value.

The Directors take an active part in the deliberations at the Board and Committee meetings and provide guidance and advice to the management on various aspects of business, strategy, long-term value creation, governance, risk and compliance.

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

a) Composition of Board

The Board of the Company, being the highest governance authority within the Management structure of the Company, is at the core of our Corporate Governance practices. Driven by the values of ethical standards and robust governance framework of the Company, the Board strives to work in the best interest of the Company and its stakeholders.

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge, skills and other domains, which will ensure that SCBL retains its competitive advantage.

The size and composition of the Board meets the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of Eight Executive and Non-Executive Directors, including leading professionals in their respective fields. Percentage of Executive and Non-Executive Directors of the Company is 37.5% and 62.5% respectively as on March 31, 2025.

As on March 31, 2025, the composition of the Board is as follows :

| Category of Directors | Number | Percentage to total strength of the Board |
|--|---------------|--|
| Non-Executive and Non-Independent Director | 1 | 12.50% |
| Non- Executive and Independent Directors | 4 | 50% |
| Executive Directors (MD & WTD) | 3 | 37.50% |

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

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

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their

Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

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

Composition and Directorship(s) / Committee Membership(s)/Chairmanship(s) as on 31st March, 2025

| Name of the Director | DIN | Category of Directorship | Shareholding in the Company | Number of Directorship in other Listed Companies | No. of Committee Position Held in other Companies | |
|---------------------------------|----------|--|-----------------------------|--|---|--------|
| | | | | | Chairman | Member |
| Mr. Om Prakash Bhansali | 00351846 | Executive Chairman (Managing Director) (Promoter) | 4417011 | NIL | NIL | NIL |
| Mr. Vimal Bhansali | 00351851 | Executive Director, (Whole-Time Director) (Promoter) | 598840 | NIL | NIL | NIL |
| Mr. Gaurav Bhansali | 00351860 | Executive Director, (Whole-Time Director) (Promoter) | 577305 | NIL | NIL | NIL |
| Mr. Mahendra Rakhecha | 00648532 | Non-Executive Independent Director | - | NIL | NIL | NIL |
| Mr. Yogesh Maheshwari | 01202089 | Non-Executive Independent Director | - | NIL | NIL | NIL |
| Mr. Santosh Kumar Joshi | 08950339 | Non-Executive Independent Director | - | NIL | NIL | NIL |
| Ms. Payal Daga | 07134985 | Non-Executive Non-Independent Director | - | NIL | NIL | NIL |
| Ms. Saraswati Choudhary* | 09835573 | Non-Executive Independent Director | - | NIL | NIL | NIL |
| Mrs. Rekha Bhandari** | 10752471 | Non-Executive Independent Woman Director | - | NIL | NIL | NIL |

*Resigned from the Directorship of the Company w.e.f. 25th October, 2024.

**Appointed as Non-Executive Independent Director of the Company for the period of five years commencing from 1st October, 2024.

As per the declarations received, none of the Directors:

- hold office as a Director in more than twenty companies;
- have directorships in more than ten public companies;
- serve as a Director/Independent Director in more than seven equity listed companies;
- were Member in more than ten committees, nor chairperson in more than five committees across all companies in which he/she was a Director;

— are related to each other (except Managing Director and Whole-Time Directors)

Further, the Managing Director and Executive Directors of the Company do not serve as an Independent Director in any other Company.

b) Appointment and Tenure

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

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

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

c) Board Procedure

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

d) Number of Board Meetings and Attendance Record of Directors

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

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

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

The particulars of Board Meetings held during 2024-25 as well as attendance of Directors at the Board Meetings and the last AGM are provided below:

Details of Board Meetings

| S.No | Date of Board Meeting |
|------|-----------------------|
| 1. | 30/05/2024 |
| 2. | 25/06/2024 |
| 3. | 14/08/2024 |
| 4. | 04/09/2024 |
| 5. | 25/10/2024 |
| 6. | 14/11/2024 |
| 7. | 17/12/2024 |
| 8. | 14/02/2025 |
| 9. | 28/03/2025 |

Attendance Record of Board of Directors

| Name of Director | Number of Board Meetings | | Whether attended last AGM held on 30.09.2024 |
|-------------------------|--------------------------|----------|--|
| | Held | Attended | |
| Mr. Om Prakash Bhansali | 09 | 09 | Yes |
| Mr. Vimal Bhansali | 09 | 09 | Yes |
| Mr. Gaurav Bhansali | 09 | 09 | Yes |
| Mr. Mahendra Rakhecha | 09 | 09 | Yes |
| Mr. Yogesh Maheshwari | 09 | 09 | Yes |
| Mr. Santosh Kumar Joshi | 09 | 09 | Yes |
| Ms. Payal Daga | 09 | 09 | Yes |
| Ms. Saraswati Choudhary | 05 | 05 | Yes |
| Mrs. Rekha Bhandari | 05 | 05 | Yes |

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

e) Disclosure of relationships between directors inter-se

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

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

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

g) Familiarization Programme for Directors

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

These include orientation programmes upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis. The new Directors of the Company are provided with an induction kit which includes the Annual Report, overview of the Company, charters of the Committees, annual calendar of Board and Committee Meetings, Code of Conduct for Non-Executive Directors including Independent Directors, Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc.

The provision of an appropriate Familiarization programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The Independent Directors, from time to time, requests management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The Familiarization programme is designed as such to:

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

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

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

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

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

| Name of the Directors | Strategy Planning & Implementation | Business Leadership | Corporate Governance, Ethics | Information Technology | Human Relations expertise | Risk management, Legal and Industrial Relation | Financial management, cost expertise and banking |
|-------------------------|------------------------------------|---------------------|------------------------------|------------------------|---------------------------|--|--|
| Mr. Om Prakash Bhansali | YES | YES | YES | YES | YES | YES | YES |
| Mr. Mahendra Rakhecha | YES | YES | YES | YES | YES | YES | YES |
| Mr. Vimal Bhansali | YES | YES | YES | YES | YES | YES | YES |
| Mr. Gaurav Bhansali | YES | YES | YES | YES | YES | YES | YES |
| Mr. Yogesh Maheshwari | YES | YES | YES | YES | YES | YES | YES |
| Mr. Santosh Kumar Joshi | - | - | YES | YES | YES | YES | - |
| Ms. Payal Daga | - | - | YES | YES | YES | - | YES |
| Ms. Saraswati Choudary* | - | YES | YES | - | YES | - | - |
| Mrs Rekha Bhandari** | YES | - | YES | - | YES | - | YES |

*Resigned from the Directorship of the Company w.e.f. 25th October, 2024.

**Appointed as Non-Executive Independent Director of the Company for the period of five years commencing from 1st October, 2024.

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

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2024-25, the Board hereby certifies that all the Independent Directors appointed by the Company fulfill the conditions specified in these Regulations and are independent of the management.

j) Separate Meeting of Independent Directors

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

The Independent Directors met on March 28, 2025, inter alia, to discuss:

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

Attendance Record of Meetings of Independent Directors

| Name of Director | Number of Board Meetings | |
|-------------------------|--------------------------|----------|
| | Held | Attended |
| Mr. Mahendra Rakhecha | 1 | 1 |
| Mr. Yogesh Maheshwari | 1 | 1 |
| Mr. Santosh Kumar Joshi | 1 | 1 |
| Mrs. Rekha Bhandari | 1 | 1 |

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

k) Code of Conduct

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

l) Board Evaluation

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

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

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

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

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

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

Feedback Mechanism: The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The Board was satisfied with overall performance & effectiveness of the Board, Committee and Individual Directors and appreciated Company's ethical standards, transparency and progress on sustainability during the year. The Board Members also provided their inputs on the Board processes, areas of improvement and the matters for enhancing the overall effectiveness of the Board. It was noted that the Board as a whole is functioning as an effective and cohesive body.

m) Whistle Blower Policy

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

The policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle blower Policy has been uploaded on the website of the Company at http://www.somiinvestor.com/images/pdf/Policies/SOMI_Whistle_Blower_Policy.pdf

III. Governance by the Committees of the Board

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

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

The Board had the following Committees during the year 2024-25

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

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

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

The composition of the Audit Committee as on March 31, 2025 is as under:

| Name of Member | Category |
|---|---|
| Mr. Santosh Kumar Joshi (Chairman) | Non- Executive and Independent Director |
| Mr. Yogesh Maheshwari (Member) | Non- Executive and Independent Director |
| Mr. Gaurav Bhansali (Member) | Whole-Time Director |

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

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

The Audit Committee has met Six times during the financial year 2024-25 on:

May 30, 2024; August 14, 2024; September 04, 2024; November 14, 2024; February 14, 2025 and March 28, 2025.

Details of meetings attended by the members of the Audit Committee during the financial year 2024-25 are as follows:

| Name of Committee Member | Category | Position | Number of Committee Meetings | |
|--------------------------------|---|----------|------------------------------|----------|
| | | | Held | Attended |
| Mr. Santosh Kumar Joshi | Non- Executive and Independent Director | Chairman | 6 | 6 |
| Mr. Yogesh Maheshwari | Non-Executive and Independent Director | Member | 6 | 6 |
| Mr. Gaurav Bhansali | Whole-Time Director | Member | 6 | 6 |

Terms of reference:
Powers of Audit Committee:

The Audit Committee shall have the following powers:

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

ROLE OF THE AUDIT COMMITTEE

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement in terms of Clause (c) of sub-section 3 of Section 134 of Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, the internal control system ;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and back ground, etc. of the candidate;
20. Review of Management Discussion and Analysis of financial condition and results of operations;
21. Review statement of significant related party transactions submitted by Management;
22. Review of management letters/letters of internal control weaknesses issued by the statutory auditors;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

Role of Internal Auditor

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

aspect of business, viz. operational, financial, information systems and regulatory compliances are reviewed periodically.

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

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

b) Nomination & Remuneration Committee

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

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

The composition of this Committee as on March 31, 2025 is as under:

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

The Nomination & Remuneration Committee has met Three times during the financial year 2024-25 on: September 04, 2024, October 25, 2024; and March 28, 2025.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2025 is as under:

| Name of Committee Member | Category | Position | Number of Committee Meetings | |
|--------------------------------|--|----------|------------------------------|----------|
| | | | Held | Attended |
| Mr. Yogesh Maheshwari | Non-Executive and Independent Director | Chairman | 3 | 3 |
| Mr. Mahendra Rakhecha | Non-Executive and Independent Director | Member | 3 | 3 |
| Mr. Santosh Kumar Joshi | Non-Executive and Independent Director | Member | 3 | 3 |

Role of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Other Employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

5. To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
6. To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
7. To see that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
8. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
9. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Performance evaluation criteria for Independent Directors:

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

Details of Remuneration to all the directors:

a) Executive Directors

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

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2025 is given below:

| Name of Directors | Remuneration | Commission | Value of Perquisites/ Reimbursement of Expenses | Annual Amount in Rs. | |
|--|-----------------------|------------|---|----------------------|--------------------------------|
| | | | | Sitting Fees | Total Remuneration (Per Annum) |
| Mr. Om Prakash Bhansali, Managing Director | Rs. 35,40,000/- | NIL | NIL | NIL | Rs. 35,40,000/- |
| Mr. Vimal Bhansali, Whole time Director | Rs. 28,80,000/- | NIL | NIL | NIL | Rs. 28,80,000/- |
| Mr. Gaurav Bhansali, Whole time Director | Rs. 28,80,000/- | NIL | NIL | NIL | Rs. 28,80,000/- |
| TOTAL | Rs.93,00,000/- | NIL | NIL | NIL | Rs.93,00,000/- |

b) Non-Executive and Independent Directors

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

Details of sitting fees and commission paid to Independent Directors during the financial year 2024-2025 is given below:

| Name of Non-Executive & Independent Directors | Sitting Fee for Board/Audit Committee/ Other Committee Meeting attended |
|--|--|
| Mr. Yogesh Maheshwari | 20,000/- |
| Mr. Santosh Kumar Joshi | 19000/- |
| Mr. Mahendra Rakhecha | 16,000/- |
| Mrs. Payal Daga | NIL |
| Mrs. Saraswati Choudhary | NIL |
| Mrs. Rekha Bhandari | 6,000/- |

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

c) Stakeholder Relationship Committee

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

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

The composition of this Committee as on March 31, 2025 is as under:

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

Terms of reference

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

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

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

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

The Stakeholders Relationship Committee has met only once during the financial year 2024-25 on March 28, 2025.

The attendance of members of Stakeholders Relationship Committee at the committee meeting during the year ended March 31, 2025 is as under:

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

Status of Shareholders'/Investors' Complaints for the period 01st April, 2024 to 31st March, 2025

| Opening Balance | Complaints Received during the year 2024-2025 | Complaints Resolved during the year 2024-2025 | Closing Balance |
|-----------------|---|---|-----------------|
| NIL | NIL | NIL | NIL |

Mr. Amit Baxi, Company Secretary, is the Compliance Officer for resolution of Shareholder's/Investor's complaints. During the Financial Year ended 31st March, 2025, no Complaint was received from the Shareholders.

d) Corporate Social Responsibility Committee

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

The Corporate Social Responsibility Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee of the Company comprises of three directors namely Mr. Om Prakash Bhansali (Chairman) and has Mr. Vimal Bhansali and Mr. Mahendra Rakhecha as its Members. During the year, the Committee met two times on January 08, 2025 and March 28, 2025.

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

| Name of Committee Member | Category | Position | Number of Committee Meetings | |
|--------------------------|---|----------|------------------------------|----------|
| | | | Held | Attended |
| Mr. Om Prakash Bhansali | Managing Director | Chairman | 2 | 2 |
| Mr. Vimal Bhansali | Whole-Time Director | Member | 2 | 2 |
| Mr. Mahendra Rakhecha | Non- Executive and Independent Director | Member | 2 | 2 |

Terms of Reference

1. Formulation and Recommendation to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII;
2. Recommendation of amount of expenditure to be incurred on the activities referred in Schedule VII;
3. Monitoring the CSR Policy of the company from time to time.
4. Ensuring that the programs, projects and activities supported through Somi Conveyor Beltings Limited are aligned with the approved CSR policy of the Company and Section 135 and Schedule VII of the Act;
5. Reviewing and approving annual budgets with respect to CSR programs;
6. In case the Company is not able to spend the stipulated two percent of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board; the reasons shall also be included in the Board's report;
7. Receiving and reviewing reports from Implementing Partners to assess the performance and effectiveness of projects supported by the Company;
8. Reviewing the findings and recommendations regarding the CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants;
9. Responding to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Company's CSR supported initiatives;
10. Ensuring that the Company's website displays the approved CSR policy of the Company;
11. Developing and institutionalizing a CSR reporting mechanism in terms of Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

e) Senior management:

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

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

* Ceased to be Sr. Executive-Project w.e.f. 28/02/2025

IV. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

V. GENERAL BODY MEETINGS

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

| Financial Year | Date of AGM | Time of Meeting | Venue of AGM |
|------------------------------|-------------|-----------------|--|
| 2023-24—24 th AGM | 30.09.2024 | 11.30 a.m | 4F-15, "Oliver House", New Power House Road, Jodhpur-342 003 |
| 2022-23—23 rd AGM | 30.09.2023 | 11.30 a.m | 4F-15, "Oliver House", New Power House Road, Jodhpur-342 003 |
| 2021-22—22 nd AGM | 30.09.2022 | 11.30 a.m | 4F-15, "Oliver House", New Power House Road, Jodhpur-342 003 |

WHETHER ANY SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs:

1. In the **24th** Annual General Meeting held on 30th September, 2024, One Special Resolutions was proposed and passed pertaining to:
 - a) Approval for Appointment of Mrs. Rekha Bhandari (DIN: 10752471) as Non - Executive Independent Woman Director of the Company to hold office for the First term of 5 (five) consecutive years with effect from October 1, 2024.
2. In the **23rd** Annual General Meeting held on 30th September, 2023, Three Special Resolutions were proposed and passed pertaining to:
 - b) Approval for increase in remuneration package of Mr. Om Prakash Bhansali, Managing Director of the Company with effect from 01/10/2023, to the extent of Rs. 2,95,000/- (Rupees Two Lakh Ninety Five Thousand) per month including HRA, Special Perquisite and Bonus etc pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
 - c) Approval for increase in remuneration package of Mr. Vimal Bhansali, Whole-Time Director of the Company with effect from 01/10/2023, to the extent of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand) per month including HRA, Special Perquisite and Bonus etc pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
 - d) Approval for increase in remuneration package of Mr. Gaurav Bhansali, Whole-Time Director of the Company with effect from 01/10/2023, to the extent of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand) per month including HRA, Special Perquisite and Bonus etc pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
3. In the **22nd** Annual General Meeting held on 30th September, 2022, no Special Resolutions were proposed and passed..

EXTRA ORDINARY GENERAL MEETING HELD DURING THE YEAR UNDER REVIEW

No Extra Ordinary General Meeting was held during the year under review.

NO SPECIAL RESOLUTION WERE PUT THROUGH POSTAL BALLOT EXERCISE

DETAILS OF VOTING PATTERN:

- Not Applicable

PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

- Not Applicable

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

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

PROCEDURE FOR POSTAL BALLOT:

- Not Applicable

VI. MEANS OF COMMUNICATION

Communication is one of the key elements of the overall corporate governance and therefore, the Company emphasizes prompt, continuous, efficient and relevant communication to all internal as well as external stakeholders.

a) Publication of quarterly results

Quarterly, half-yearly and Annual Financial Results of the Company are published in widely circulated national newspapers such as the Business Standard/Financial Express and State level newspapers such as Business Remedies/Nafa Nuksan in vernacular language as required under Regulation 47 of the SEBI Listing Regulations.

As per the recent SEBI Circular, we are also now publishing newspapers containing a Quick Response code and website details- where complete financial results of the Company are accessible to the investors.

The highlights of the aforesaid Financial Results are sent to the Members whose email addresses are registered with the Company/Depositories once the said results are filed with the Stock Exchanges.

b) Website

The Company's website contains a separate dedicated section 'Investors' which provides comprehensive information sought by Shareholders like Memorandum of Association and Articles of Association, brief profile of board of directors including directorship and full-time positions in body corporates, copies of the Annual Reports, quarterly, half-yearly and Annual Financial Results, Stock Exchange filings such as Shareholding Pattern, Corporate Governance, Integrated Governance, Related Party Transactions and, Schedule, Intimation of Closure of Trading Window, Intimations under Regulation 30 of SEBI Listing Regulations, Intimation and Outcome of Board Meeting, etc, applicable Corporate Governance policies such as Corporate Social Responsibility Policy, Related Party Transactions Policy, Code of Conduct for Prevention of Insider Trading, Vigil Mechanism, Policy on Determination of Materiality of Event or Information and Archival Policy, Nomination and Remuneration Policy, etc. and details about the Company, the Board of Directors, Management and Company's Registrar & Share Transfer Agent. To access the aforesaid details Members may visit the website at <https://www.somiinvestor.com/>.

c) Filing with Stock Exchanges

All periodical compliances required to be filed with the Stock Exchanges, such as the Integrated Filing-Governance & Financial, Corporate Governance Report, Shareholding Pattern, Investor Grievance Report, Reconciliation of Share Capital and other corporate announcements are filed electronically with BSE Limited and National Stock Exchange of India Limited.

d) Presentation(s) to Analysts and Institutional Investors

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

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

e) Annual Report:

The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Report for FY 2024-25 are being sent in electronic mode to all shareholders who have registered their e-mail IDs for the purpose of receiving documents/ communication in electronic mode with the Company and/or Depository Participants. The Annual Report is also available on Company's Website <https://www.somiinvestor.com/>.

f) SEBI Complaints Redress System ('SCORES'):

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal:

SEBI has established a common Online Dispute Resolution Portal ("ODR Portal - <https://smartodr.in/login>") to raise disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievances with the RTA/Company directly and through SCORES platform, the investors can initiate dispute resolution through the ODR Portal.

VII. GENERAL SHAREHOLDERS INFORMATION

a) Date, time and venue of the 25th Annual General Meeting:

Annual General Meeting is proposed to be held on Monday, 30th September, 2025 at 11:30 A.M at its Registered Office at 4F-15, "Oliver House", New Power House Road, Jodhpur – 342003

b) Financial Calendar for FY 2025-2026:

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

| Particulars | Tentative Schedule |
|--|--|
| Quarterly Results | |
| Quarter ending on 30th June, 2025 | Within Forty Five Days of the End of the Quarter |
| Quarter ending on 30th September, 2025 | Within Forty Five Days of the End of the Quarter |
| Quarter ending on 31st December, 2025 | Within Forty Five Days of the End of the Quarter |
| Annual Results of 2025-2026 | Within Sixty Days of the End of the Quarter |
| AGM for the year ending March 31,2026 | In September, 2026 |

c) Dividend payment date and rate

In view of the future growth of the Company, the Board of Directors has decided to conserve capital and therefore no dividend was declared for FY 2024-2025.

d) Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 24th September, 2025 to Tuesday, 30th September, 2025 (both days inclusive) for the purpose of 25th Annual General Meeting.

e) Trading window closure

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

f) Listing of shares:

The Equity Shares of the Company are listed on –

| S.NO. | NAME & ADDRESS OF STOCK EXCHANGE | Stock Code | ISIN |
|-------|--|-------------------|---------------------|
| 1. | BSE Limited (BSE) [w.e.f. 24th July, 2008] Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 | 533001 | INE323J01019 |
| 2. | National Stock Exchange of India Limited (NSE) [w.e.f. 18th July, 2016] Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 | SOMICONVEY | |

Annual Listing Fees have been paid for the Financial Year 2024-2025.

g) None of the Company's securities have been suspended from trading.
h) Registrar and Share Transfer Agents:

MUFG Intime India Private Limited.

(Formerly known as Link Intime India Private Limited)

CIN: U67190MH1999PTC118368

C 101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai-400083

Tel : +91 22 49186000; Fax : +91 22 4918 6060

Email id: rnt.helpdesk@in.mpms.mufg.com; Web: www.in.mpms.mufg.com

i) Unclaimed Dividends

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

| Financial Year ended | Due Date of Transfer |
|----------------------|----------------------|
| 31.03.2018 | 27.11.2025 |

j) Share Transfer System
Trading of shares to be in compulsorily dematerialised form:

The equity shares of the Company can be traded only in dematerialised form. The dematerialisation facility is available with National Securities Depository Limited and Central Depository Services (India) Limited. Pursuant to the amendment to Regulation 40 of the SEBI Listing Regulations, transfer of shares held in physical form cannot be processed and hence, the equity shares are to be compulsorily traded in electronic form by all shareholders. Shareholders holding shares in physical form are advised to dematerialize their existing holdings.

Mandatory dematerialization:

Pursuant to SEBI Master Circular No SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, the Company shall (i) effect issuance of certificates in dematerialised form only, for any requests received for subdivision, split, consolidation, renewal, exchanges, endorsements or issuance of duplicate certificates; and (ii) execute requests for transmission and transposition of securities, held in physical or dematerialised form, in dematerialised form only.

Simplified Norms for processing Investor Service Request:

Mandatory update of PAN, KYC and Nomination details and linking of PAN and Aadhaar by holders of physical shares

Updation of KYC details pursuant to SEBI Master Circular bearing reference nos SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.

With reference to the above Master Circular issued by SEBI that mandates all the listed companies to record PAN, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature and Nomination of holders of physical securities. Although the email ID is optional, however, the security holders are requested to register their email id also to avail online services. This is applicable for all security holders holding shares in physical form.

- A)** In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety.
- B)** If a security holder updates the PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after April 01, 2024, then the security holder would receive all the dividends/interest etc. declared during that period (from April 01, 2024 till date of updation) pertaining to the securities held after the said updation automatically.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our RTA website.

In compliance with the above stated SEBI Circular, the Company has sent individual communication to its shareholders holding shares in the physical form requesting them to update their PAN, KYC details and Nomination. Members are requested to furnish details in the prescribed form as mentioned in the aforesaid SEBI Circular along with the supporting documents, wherever required, to our RTA, MUFG Intime India Private Limited (Formerly known as Link Intime India Pvt. Ltd). for immediate action on following email rnt.helpdesk@in.mpms.mufg.com :

k) Distribution of Shareholding as on 31st March 2025

| Sr. No. | Slab of Shareholding | | Shareholders | | Number of Shares | Shares Values | |
|---------|---------------------------|---------|--------------|---------------|------------------|------------------|---------------|
| | No. of Equity Shares held | | Number | In % | | Face Value | In % |
| | From | To | | | | (Rs.) | |
| 1 | 1 | 500 | 6630 | 89.3651 | 620921 | 6209210 | 5.27 |
| 2 | 501 | 1000 | 385 | 5.1894 | 303813 | 3038130 | 2.58 |
| 3 | 1001 | 2000 | 193 | 2.6014 | 283409 | 2834090 | 2.41 |
| 4 | 2001 | 3000 | 69 | 0.9300 | 174388 | 1743880 | 1.48 |
| 5 | 3001 | 4000 | 24 | 0.3235 | 86941 | 869410 | 0.74 |
| 6 | 4001 | 5000 | 26 | 0.3505 | 121113 | 1211130 | 1.03 |
| 7 | 5001 | 10000 | 42 | 0.5661 | 309867 | 3098670 | 2.63 |
| 8 | 10001 | & Above | 50 | 0.6739 | 9879204 | 98792040 | 83.87 |
| | Total | | 7419 | 100.00 | 11779656 | 117796560 | 100.00 |

Ownership Pattern as on 31st March, 2025

| Category | Number of Shares | In % |
|--|------------------|---------------|
| Promoter and Promoter Group | | |
| Individual/HUF | 6960757 | 59.09 |
| Public – Non Institution | | |
| Individual | 2463175 | 20.91 |
| Hindu Undivided Family | 185655 | 1.57 |
| Non Resident Indians (Non Repat) | 17242 | 0.15 |
| Non Resident Indians (Repat) | 20287 | 0.17 |
| Body Corp-Ltd Liability Partnership | 4713 | 0.04 |
| Clearing Member | 1874 | 0.02 |
| Bodies Corporate | 2109433 | 17.90 |
| FPI (Corporate) - I | 849 | 0.01 |
| Investor Education and Protection Fund | 15671 | 0.13 |
| Total | 11779656 | 100.00 |

l) Dematerialization of Shares and Liquidity:

The Company's shares enjoy demat facility with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) having the following ISIN Nos. for Equity Shares:-

INE323J01019 for 11779656 Equity Shares of Rs.10/- each.

As on March 31, 2025, 10957656 Equity Shares constituting 93.04% Equity Shares of the total holding were held in demat mode.

Members still holding physical share certificates are requested to dematerialize their shares by approaching any of the Depository Participants registered with the Securities and Exchange Board of India (SEBI).

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

During the year 2024-25, your Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

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

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Accordingly, the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required to be furnished by the Company. The Company manages the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The details of Foreign currency risk as on 31st March, 2025 are disclosed in Note No. 27 to the standalone Financial Statements.

o) Plant location:

*K.No-58, 58/5, 58/6, Village Tanawara, Tehsil Luni, District Jodhpur.

*H-2, 463-466, Sangaria Industrial Area, Jodhpur.

p) Address of Correspondence:

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

q) Credit Rating

CRISIL Rating Limited has assigned the credit rating of "CRISIL BBB-" for long-term Bank facilities availed by the Company and credit rating of "CRISIL A3" for the short-term Bank facilities availed by the Company.

VIII. DISCLOSURES**a) Related Party Transactions / Materially significant related party transactions:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were usually in the ordinary course of business. There have been no material significant related party transactions between the Company and its directors, their relatives or associates. All Related Party Transactions are placed before the Audit Committee. Disclosure of transactions with related parties is provided in notes to the financial statements, forming part of the Annual Report.

Your Company has formulated the Policy on dealing with related party transactions and the same is available on the website of your Company and a web link thereto is as below:
<https://somiinvestor.com/public/storage/Policies/SOMI-Related%20Party%20Transaction%20Policy.pdf>

b) Disclosure of accounting treatment in preparation of financial statements

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

c) Statutory Compliance, Penalties and Structures:

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

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

| | | | | | | | | | | |
|--|--|--|--|--|--|-----------------------------------|--|---------------------------------|--------------------|--|
| | | | | | | failure to appoint woman director | | in the month of November, 2022. | of November, 2022. | |
|--|--|--|--|--|--|-----------------------------------|--|---------------------------------|--------------------|--|

d) Whistleblower Policy / Vigil Mechanism

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

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

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

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

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

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

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

h) Recommendation of Committees of the Board during the FY 2024-25

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

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

During the financial year 2024-25, total fees for all services paid by the listed entity to the Statutory Auditor are as follows:

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

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

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

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

Status of complaints as on 31st March 2025:

| S.No. | Particulars | Number of Complaints |
|-------|--|----------------------|
| 1 | Number of Complaints pending at the beginning of the financial year: | NIL |
| 2 | Number of Complaints filed during the financial year | NIL |
| 3 | Number of Complaints disposed of during the financial year | NIL |
| 4 | Number of Complaints pending as on end of the financial year | NIL |

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

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

l) Risk Management Framework:

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

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

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

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

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

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

o) MD/ CFO Certification:

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to MD/CFO certification for the financial year ended March 31, 2025. The Certificate forms part of this Report.

p) Certificate on corporate governance:

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

q) Twenty Fifth (25th) Annual General Meeting (AGM) of the Company will be held on **Tuesday, 30th September 2025 at **11:30 am**, at Registered Office ,4F-I5, "Oliver House", New Power House Road, Jodhpur-342003 to transact the business mentioned in the Notice of AGM dated 4thSeptember, 2025.**

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 30th September 2025.

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

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

s) Agreements binding listed entities

Pursuant to Regulation 30A of the Listing Regulations, no agreement has been entered or executed by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company during the financial year.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report outlines the key business and performance highlights of the Company for the financial year 2024-25. The discussion on the Company's financial condition and operational results should be read in conjunction with the reports presented in the earlier sections of this Annual Report, along with the financial statements, accompanying notes, and other information provided herein. The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015.

FINANCIAL HIGHLIGHTS

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

During the year your Company has made a steady progress and achieved positive results, by adapting new market practice, commitment to innovation and strategic planning.

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

(Rs.in Lakhs)

| | Year ended 31 st March 2025 | % of Revenue | % Growth / (% Decline) | Year ended 31 st March 2024 | % of Revenue |
|---|--|-----------------|---------------------------|--|-----------------|
| Revenue | 10123.77 | 100.00% | (0.85%) | 10210.69 | 100.00% |
| Earnings before interest, tax, depreciation | 1005.75 | 9.93% | 18.55% | 848.36 | 8.31% |
| Profit Before Tax | 763.23 | 7.54% | 25.14% | 609.90 | 5.97% |
| Profit After Tax attributable to shareholders of the Company | 548.62 | 5.42% | 20.51% | 455.26 | 4.46% |
| Total Comprehensive Income for the period attributable to Owners | 548.21 | 5.42% | 20.47% | 455.05 | 4.46% |
| Earnings per Share (in Rs.) | 4.66 | - | 20.73% | 3.86 | - |

During the Financial year under review, the Company sustained its strategic initiatives aimed at delivering improved performance over the prior year. Company achieved Revenue from Operations for the year amounted to Rs.10123.77 Lakhs registering a slight decline of 0.85% as compared to previous year's revenue of Rs.10210.69 Lakhs.

Segment-Wise and Product-Wise Performance

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

Key Financial Ratios

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

| | Units | Year ended 31 st March 2025 | Year ended 31 st March 2024 | % Change | Reason for Change (In case if change is more than 25%) |
|--------------------------------|--------------|--|--|----------------|---|
| Debtors Turnover | Days | 143 | 151 | (5.30%) | - |
| Inventory Turnover | Days | 138 | 94 | 47% | To cater higher volume order, company booked inventory in bulk to optimize the cost of production hence inventory turnover ratio has enhanced |
| Interest Coverage Ratio | Times | 5.49 | 4.88 | 12% | - |
| Current Ratio | Times | 2.04 | 2.12 | (4%) | - |
| Debt Equity Ratio | Times | 0.28 | 0.21 | 33% | Due to new loan taken / higher availment of CC limit for bulk procurement of RM during reporting period, Debt-Equity Ratio has been increased |
| Operating Profit Margin | % | 10.28% | 8.57% | 20% | - |
| Net Profit Margin | % | 5.42% | 4.46% | 21% | - |

Change in Return on Net Worth

| S. No. | Particulars | FY 25 | FY 24 | % Change | Reason for Change |
|--------|---------------------|-------|-------|----------|-------------------|
| 1. | Return on Net worth | 7.43% | 6.62% | 12% | - |

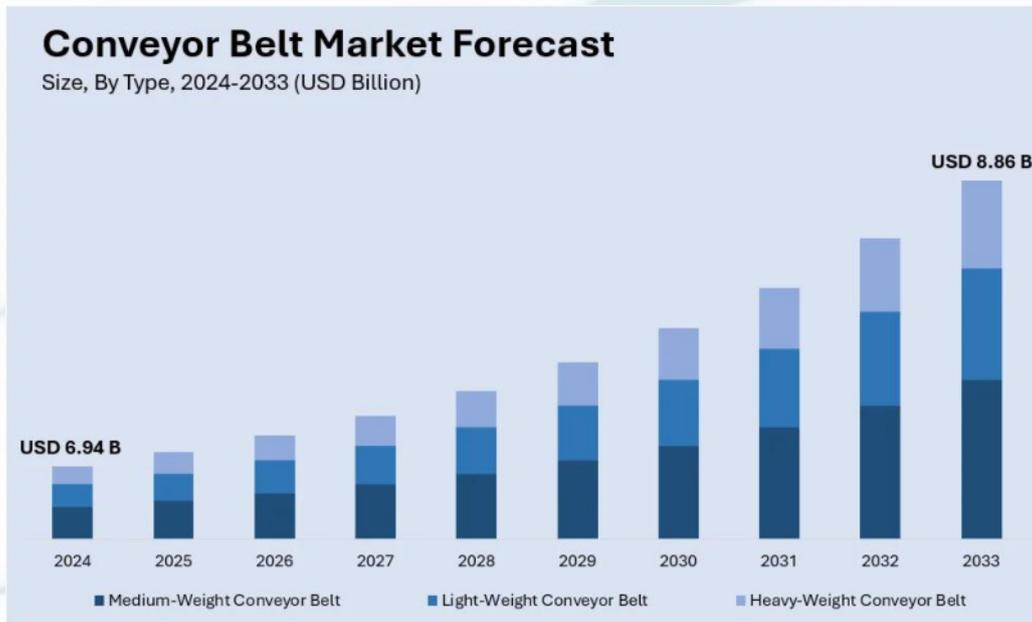
INDIAN ECONOMY

Indian economy demonstrated a strong and resilient performance during the fiscal year 2024-2025. According to Ministry of Statistics and Programme Implementation (MoSPI), India's real GDP grew by 6.5% in FY 2024-25. While the year over year GDP growth of the country is below potential, India still remains one of the fastest growing economies in the world.

Despite of several global and domestic challenges, like geopolitical tensions, high inflation & debt, supply chain disruptions, and slowdown in global growth, throughout the fiscal year, the Indian economy showcased durable growth and a capacity to withstand external shocks

The government's focus on self-reliance, ease of doing business and infrastructure development has further enhanced the investment climate. Key sectors like manufacturing, trading, technology & digital infrastructure contributed significantly to economic expansion.

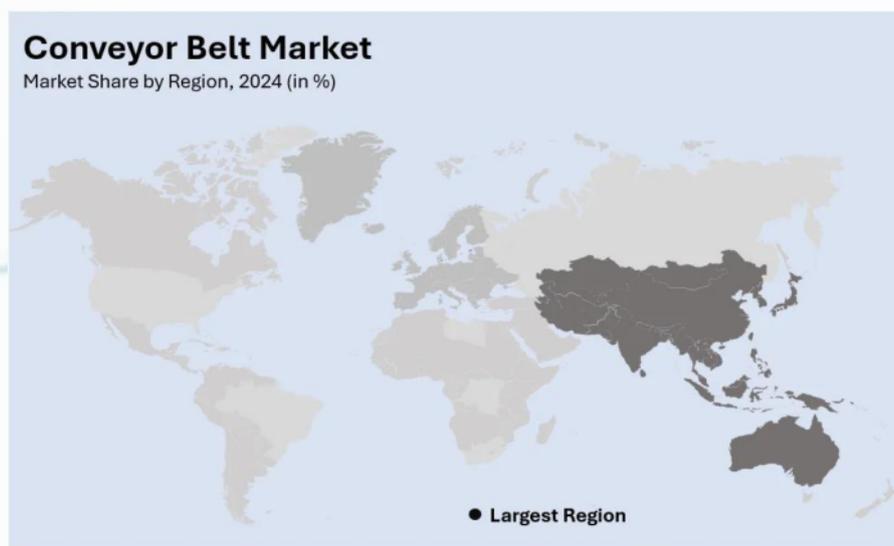
INDUSTRIAL SCENARIO



(Source: iMARC Group - Conveyor Belt Market Size, Share & Trends Report 2033)

The global conveyor belt market was valued at **USD 6.94 Billion in 2024** and is projected to reach **USD 8.86 Billion by 2033**, growing at a **CAGR of 2.53% during 2025-2033**, according to IMARC Group. **Asia-Pacific** continues to lead the market, accounting for **over 37.1% share in 2024**.

The market is driven by increasing demand for efficient material handling, automation trends, growing e-commerce and logistics operations, rising infrastructure development, and advancements in belt technologies focusing on sustainability and energy efficiency.



In 2024, Asia-Pacific held the largest market share, exceeding 37.1%, establishing itself as a key growth driver of the global conveyor belt market. The region’s strong performance is underpinned by several critical factors. Rapid industrialization and urbanization are driving the need for efficient material handling solutions, while rising production requirements across industries such as mining and manufacturing further support market expansion. Additionally, the booming e-commerce sector

has fueled the development of distribution centers and warehouses, where conveyor belts play a vital role in automating material movement and product sorting. This automation not only streamlines supply chain and logistics operations but also ensures timely and efficient deliveries.

ABOUT THE COMPANY

Somi Conveyor Beltings Limited is a leading and reputed name in Indian conveyor belt industry. Incorporated in the year 2000, the company proudly completes its 25 years of excellence and growth. It is one of the leading manufacturer and exporter of conveyor belts in India with its registered office and works situated in Jodhpur, Rajasthan.

With decades of experience, a skilled labour force, and a positive vision, SCBL continues to grow with innovation and efficiency in the conveyor belt market. Our plants are equipped with fully automatic technologies and with the high production capacity.

The company offers high quality conveyor belts through a diversified product line, which are used in various industries including manufacturing, cement, automotive, power and mining. Our products range is trusted and preferred by a wide customer base across the globe.

STRENGTHS

Advanced technology enables the company to innovate rapidly, improve efficiency, and maintain a competitive edge in the market.

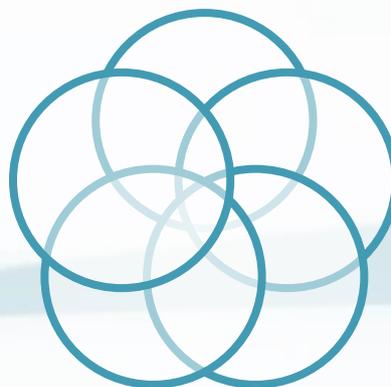


Diverse Customer Base helps in enhancing business stability and growth potential.

Moderately priced, high quality Conveyor Belts.

Experienced leadership team

Loyal customer base



Well-trained, Professionally developed and motivated workforce

Consistent profitability

Strong global supply network

OPPORTUNITIES

1. Expansion into Emerging Markets

Leveraging rising demand and favourable economic trends, our company is exploring growth opportunities in both domestic and global market.

2. Digital Transformation and Innovation

On-going investment in technology and innovation presents opportunities to enhance operational efficiency, improve customer experience.

3. Industrial Form

The rapid shift towards smart factories and automated production lines is increasing demand for intelligent conveyor belt system.

4. Growing Construction and Raw Material Demand

Housing growth and rise in infrastructure in countries are boosting the need for bulk handling of raw materials and cement, increasing conveyor belt deployment.

RISKS AND CONCERNS

While the Conveyor Belt Industry is exposed to a variety of strategic, operational, and financial risks, the company remains well positioned to navigate these challenges through vigorous operational framework, and strategic decision making.

The rise in competition in the industry, both domestically and globally, is a well-known challenge for the company. However the company has successfully maintained its market position by focusing on customer centricity and innovation. Its strong brand reputation and quality assurance helps to continue market trust. For protecting the interest of its shareholder and stakeholders including customers, suppliers and investors, the company has established a strong risk management framework.

The process of managing the Company's financial exposures is governed by the Company's Audit Committee under the guidance of the Board, ensuring proper use of funds and also provides measures for controlling the same.

Ongoing geopolitical tensions, continues to pose significant risks to supply chain, leading to increase in uncertainty in the availability and cost. Despite of that, SCBL remains vigilant and has taken appropriate measures.

The risks are identified and monitored by the senior management team through a strategic approach and all the necessary safeguards to maintain desired security and resiliency levels have been deployed within the organization.

Our risk management objectives are:

- ✓ Identify and assess potential risks that may impact business performance.
- ✓ Foster a risk-aware culture across all levels of the organization.
- ✓ Strengthen strategic decision-making through comprehensive risk analysis and reporting.
- ✓ Ensure adherence to applicable laws, regulations, and industry standards.
- ✓ Build stakeholder confidence through transparency and effective communication.
- ✓ Design and implement robust controls to effectively mitigate identified risks.

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

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

| | | |
|----------------------|---|---|
| | affect plants or properties in terms of Accidents/Incidents at the workplace and the ill health of its employees. | its activities are socially and environmentally responsible and has made significant investments towards undertaking eco-friendly measures. |
| Quality Risks | Products and manufacturing processes All our products and manufacturing processes are subject to stringent quality standards and specifications. Any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company. | The Company has its own distillation facility, enabling the usage of raw materials for in-house production. Forward integration further enables the Company to develop and produce a rich quality base of value-added products. These products also help retain the key customers ensuring customer loyalty and low marketing cost. |

OUTLOOK

India is poised for continued growth in the upcoming fiscal year, buoyed by robust financial and macroeconomic conditions. GDP is forecasted to remain strong at 7.0%, while inflation is expected to fall. Estimates indicate that India will experience sustained growth, driven by contributions from labour and human capital. However, global headwinds may pose challenges, potentially leading to a slowdown in global economic activity, which could impact India's financial and trade channels. There is a continuous thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

The Internal Audit team is entrusted with the responsibility of overseeing internal financial processes, policies and providing recommendations for effective internal controls. Implementing these robust internal controls upholds compliance with the Company's adopted policies and procedures, thereby fostering seamless and efficient operations. These internal controls play a pivotal role in safeguarding assets, detecting and preventing instances of fraud or errors, and ensuring the accuracy and completeness of accounting and financial records. Furthermore, they contribute to the timely preparation of transparent, comprehensive, and accurate financial information and statements, aligning with the prescribed accounting standards and principles.

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

The Internal Audit framework comprises of a well defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of authority, ERP controls, among others. IT policies

and processes ensure mitigation of business risks through controls. These policies are complimented by a management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations.

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

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

HUMAN RESOURCES

The company's approach towards Human Capital is built on a commitment to not only attract and retain the best talent but also to foster an environment where innovation, diversity, transparency and productivity thrive. Over the past year, the Company continued to enhance its Human Capital Management practices to support our workforce and drive organizational success. The company's Talent acquisition strategies helps it to attract diverse professionals at various levels who align with its corporate values and business objectives.

Your Company believes that recognizing employees' contributions and achievements at the right time is vital for fostering a positive work environment, motivating them, improving job satisfaction, enhancing performance, and commitment & loyalty towards the organization.

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

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

The Company is proud of the strides it has made in human resource practices and is committed to continuing its investment in the employees. The Company's people are the cornerstone of its success, and it believes that by supporting them, it is building a stronger, more sustainable business. An effective human capital practice demonstrates how organization values its people and contributes to overall business success.

As on 31st March, 2025, the Company had 109 on roll employees. These employees provide an excellent combination of experienced and young workforce and talented technical managers.

STATUTORY COMPLIANCE

The role of the Company Secretary as the Compliance Officer is to ensure the Company's compliance with SEBI requirements and listing regulations. In addition to the Company Secretary, the Chief Financial Officer (CFO) and Managing Director (MD) also function as compliance officers to prevent insider trading. Compliance certifications are obtained from various management personnel, affirming adherence to key

statutes. Managing Director gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

CAUTIONARY STATEMENT

Any forward-looking statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations regarding expected future events and the financial and operating results of the Company are based on certain assumptions, the fulfillment of which the Company does not guarantee. These statements are subject to risks and uncertainties and the actual results may materially differ from those expressed or implied. Important developments that could affect the Company's operations include industry downtrends, whether global or domestic, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of our knowledge and based on the following:

- i. Documents available on the website of the Ministry of Corporate Affairs;
- ii. Verification of Directors Identification Number (DIN) status on the website of the Ministry of Corporate Affairs;
- iii. Disclosures provided by the Directors to the Company; and
- iv. Debarment list of BSE Limited and National Stock Exchange of India Limited.

I hereby certify that **none of the Directors on the Board of the Company as stated below** 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 **as on March 31, 2025**.

| S. No. | Name of Director | Director Identification Number(DIN) | Date of appointment in the Company |
|--------|---------------------|-------------------------------------|------------------------------------|
| 1 | Om Prakash Bhansali | 00351846 | 16/06/2000 |
| 2 | Vimal Bhansali | 00351851 | 16/06/2000 |
| 3 | Gaurav Bhansali | 00351860 | 16/06/2000 |
| 4 | Mahendra Rakhecha | 00648532 | 30/09/2006 |
| 5 | Yogesh Maheshwari | 01202089 | 10/01/2007 |
| 6 | Santosh Kumar Joshi | 08950339 | 22/02/2021 |
| 7 | Payal Daga | 07134985 | 30/09/2022 |
| 8 | Rekha Bhandari | 10752471 | 01/10/2024 |

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

Place: Jodhpur
Date: 25/08/2025

IRA BAXI
Practicing Company Secretary
FCS No.: -5456; CP No.: 4712
UDIN: F005456G001078770
PR No.: 2991/2023

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

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

This certificate is issued in accordance with the terms of my engagement with Somi Conveyor Beltings Limited ('the Company'). I have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2025.

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

Place: Jodhpur
Date: 25/08/2025

IRA BAXI
Practicing Company Secretary
FCS No.:- 5456; CP No.: 4712
UDIN: F005456G001078913
PR No.: 2991/2023

DECLARATION ON CODE OF CONDUCT

I, O P Bhansali, Managing Director of Somi Conveyor Beltings Limited do hereby confirm and declare that as stipulated under Regulation 34(3) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of my knowledge and belief, Members of the Board of Directors and Senior Management personnel of the Company have affirmed compliance, as on March 31, 2025, with the provisions of Code of Conduct as adopted by the Company.

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

For Somi Conveyor Beltings Limited

Place: Jodhpur
Date: 4th September, 2025

O P Bhansali
Managing Director

CEO/ CFO CERTIFICATION

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

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

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

(a) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2025 and that to the best of our knowledge and belief:

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

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

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

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

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

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

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

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

For **Somi Conveyor Beltings Limited**

O.P. Bhansali
Managing Director

Manish Bohra
Chief Financial Officer

Place: Jodhpur
Date: 4th September, 2025

INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS
SOMI CONVEYOR BELTINGS LIMITED
JODHPUR (RAJASTHAN)**

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** (CIN: L25192RJ2000PLC016480) ("the Company"), which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and notes to Financial Statements, including a summary of significant accounting policies and other explanatory information (here in after referred to as "Standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention towards an amount of Rs. 5415780.00 which has been written-off as expenses in the quarter ended 31st December, 2024 pertaining to the debtors prevailing over earlier year contracts'. The same has been confirmed by the respective parties to be forfeited as the 'Late Delivery Charges' in lieu of the terms & conditions of the relevant contracts. The same has been charged as per the approval via Board resolution dated December 17, 2024.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

| Sr. No. | Key Audit Matters | Auditor's Response |
|---------|---|--|
| 1. | <p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Contingent liabilities are for ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and legal proceedings by other parties.</p> <p>Contingent liabilities are considered as key audit matters as the amount involved is significant and it also involves significant management judgment to determine possible outcome and future cash outflows from these disputes. Refer Note no-32.</p> | <p>Principal Audit Procedures:</p> <p>Obtained details of disputed claims and completed tax assessments and demands for the year ended March 31, 2025 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2024 to evaluate whether any change was required to management's position on these uncertainties.</p> <p>Evaluated the appropriateness of accounting policies, related disclosures made and overall presentation in the Standalone Ind AS Financial Statements in terms of IND AS 37.</p> |

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

The Company's Management and Board of Directors are responsible for other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in place with reference to Standalone Ind AS 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 made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably

knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone Ind AS Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid Standalone Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and the records maintained for the purpose of preparation of Standalone Ind AS Financial Statements.
- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 in place with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls with reference to Standalone Ind AS Financials Statements.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statement – Refer to Note 33 to the Standalone Ind AS Financial Statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) 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 entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. No dividend declared or paid during the year by the Company in compliance with section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 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 software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

**SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 25407752BMMKPF5474**

**PLACE : JODHPUR
DATED: 30TH MAY, 2025**

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

The annexure referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the Standalone Ind AS Financial Statements of **SOMI CONVEYOR BELTINGS LIMITED** for the year ended March 31, 2025, we report that:

- I. In respect of the Company’s Property, Plant and Equipment, Right-of-Use assets and Intangible Assets:
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment & Capital Work-In-Progress.
 - (ii) Company has maintained proper records showing full particulars of intangible assets.
 - (b) As per the information and explanations given to us, the records examined by us and based on the examination of the records of the Company provided to us, we report that, the Company does not have a regular programme for physical verification of its Property, Plant and Equipment.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued any of its Property, Plant and Equipment & Capital Work-In-Progress or intangible assets or both during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company as at March 31, 2025, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory (except for Goods in Transit) has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate.

No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from the banks or financial institutions on the basis of security of current assets and hence reporting under clause 3 (ii) (b) of the order is not applicable.
- III. The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties other than mentioned below:
- (a) The Company has provided loans during the year to various employees against their respective salary in accordance with company policy, total amount advanced to employees during the year of Rs. 7.74 Lacs out of which Rs. 6.65 Lacs was outstanding as on 31.03.2025.
- (b) According to the information and explanation given to us, there are no investments made, guarantees provided, security given where terms and conditions of the grant of all the loans and advances in nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) In respect of loans granted by the Company, the repayments of principal amounts are recovered against the salary of employees which are generally been regular as per stipulation.
- (d) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at Balance Sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) not applicable.
- IV. According to information & explanation given to us, Company has neither made any investment nor given any loan or provided any guarantee or security as specified under section 185 & 186 of Companies Act 2013. Hence, clause (iv) of paragraph 3 of "the Order" is not applicable to the Company in context of section 185 & 186 of Companies Act 2013.
- V. According to information & explanation given to us, Company has not accepted any deposits, therefore directive issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, clause (v) of paragraph 3 of "the Order" is not applicable to the Company.
- VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the

Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

VII. In respect of Statutory Dues:

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

There were no disputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are mentioned below:

| Name of the Statute | Nature of dues | Amount (In Rs.) | Period to which amount relates | Forum where dispute is pending | Remarks |
|-----------------------------|-------------------|-----------------|--------------------------------|--------------------------------|---|
| Income Tax Act, 1961 | Income Tax Demand | Rs.581752.00 | A.Y. 2018-19 | Income Tax Department | Matter is pending with concerned authority towards which rectification has already been filed by the company to respective forum of which order is awaited. |
| Income Tax Act, 1961 | Income Tax Demand | Rs.2004300.00 | A.Y. 2019-20 | Income Tax Department | Matter is pending with concerned authority towards which rectification has already been filed by the company to respective forum of which order is awaited. |

- 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) As per the information and according to the explanations given to us the Company has not defaulted in repayment of any loans or other borrowings therefore clause 3(ix) (a) of the Order is not applicable.
- (b) As per the information and according to the explanations given to us the company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) As per the information and according to the explanations given to us the company has availed term loan and was applied for the purpose for which loans were obtained.
- (d) As per the information and according to the explanations given to us the company and on the basis of overall examination of the financial statements of the company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company doesn't have subsidiaries, associates or joint ventures and hence, reporting under clause 3 (ix) (e) of the Order is not applicable.
- (f) The company doesn't have subsidiaries, joint ventures or associate companies and hence, reporting under clause 3(ix) (f) of the Order is not applicable.
- X. (a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence, reporting under clause 3(x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting under clause 3(x) (b) of the Order is not applicable.
- XI. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) As per the information and according to the explanations given to us, there is no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government; during the year and up to date of this report.
- (c) As represented to us by the management, there were no whistle blower complaints

received by the company during the year.

- XII. The company is not a Nidhi Company as defined under section 406 of companies Act 2013. Therefore; reporting under clause (xii) of paragraph 3 of the order is not applicable to the company.
- XIII. As per the information and explanation given to us, all transactions with related parties are in compliance with the provision of section 177 and section 188 of Companies Act, 2013. The relevant disclosure as required by Ind AS-24 has been made in the Standalone Ind AS Financial Statements.
- XIV. In our opinion and according to the information and explanations given to us:
(a) The company has an adequate internal audit system commensurate with the size and nature of its business;
(b) We have considered the internal audit reports of the company issued during the year till date in determining the nature, timing and extent of our audit procedures.
- XV. According to the information and explanation given to us, Company has not entered in to any non cash transactions with its directors or persons connected to its directors. Accordingly, the paragraph 3(xv) of the Order is not applicable.
- XVI. In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC and is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, clause 3(xvi) (a) (b) (c) (d) of the Order is not applicable.
- XVII. In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- XIX. 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 and our knowledge of the Board of Directors and Management plans 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 indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 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. (a) There are no unspent amounts towards Corporate Social Responsibility (“CSR”) on other than on-going projects requiring a transfer to a Fund specified in Schedule VII to the

Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of the order is not applicable.

(b) There are no unspent amount towards Corporate Social Responsibility (“CSR”) related to on-going projects at the end of the previous financial year which is required to be transferred to special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act. Accordingly, reporting under clause 3 (xx) (b) of the order is not applicable.

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

**SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 25407752BMMKPF5474**

**PLACE : JODHPUR
DATED: 30TH MAY, 2025**

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SOMI CONVEYOR BELTINGS LIMITED

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

We have audited the Internal Financial Controls over financial reporting of **SOMI CONVEYOR BELTINGS LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining Internal Financial controls with reference to Standalone Ind AS Financial Statements 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 with reference to Standalone Ind AS 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal Financial control with reference to Standalone Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Ind AS Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**SD/-
(GARIMA TATER)
PARTNER
M.No. 407752
UDIN: 25407752BMMKPF5474**

**PLACE : JODHPUR
DATED: 30TH MAY, 2025**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025
(₹ in Lacs)

| Particulars | Notes | As at March 31, 2025 | As at March 31, 2024 |
|---|-------|-------------------------|-------------------------|
| I. ASSETS | | | |
| 1. Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 2 | 2,614.92 | 2,574.82 |
| (b) Capital work-in-progress | 2 | 110.53 | 44.65 |
| (c) Other Intangible Assets | 2 | 2.09 | 1.06 |
| (d) Intangible assets under development | 2 | 0.00 | 138.38 |
| (e) Financial assets | | | |
| (i) Investment | 3 | 0.23 | 0.23 |
| (ii) Trade Receivables | 9 | 84.44 | 129.79 |
| (iii) Other Financial Assets | 5 | 92.24 | 93.63 |
| (f) Deferred Tax assets (Net) | 6 | 7.39 | 10.06 |
| (g) Other Non Financial Assets | 7 | 390.70 | 17.26 |
| Total Non-Current Assets | | 3,302.54 | 3,009.88 |
| 2. Current Assets | | | |
| (a) Inventories | 8 | 3,833.40 | 2,615.44 |
| (b) Financial assets | | | |
| (i) Trade Receivables | 9 | 3,801.40 | 4,088.60 |
| (ii) Cash and cash equivalents | 10 | 14.63 | 388.69 |
| (iii) Other bank balances | 10 | 590.54 | 455.45 |
| (iv) Loans | 4 | 6.75 | 18.35 |
| (v) Other financial assets | 5 | 46.73 | 93.85 |
| (c) Other Non financial assets | 7 | 592.89 | 373.94 |
| Total Current Assets | | 8,886.35 | 8,034.32 |
| Total Assets | | 12,188.88 | 11,044.20 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 11 | 1,177.97 | 1,177.97 |
| (b) Other Equity | 12 | 6,475.84 | 5,927.04 |
| Total Equity | | 7,653.81 | 7,105.01 |

Liabilities**1. Non-Current Liabilities**

(a) Financial Liabilities

| | | | |
|----------------|----|--------|--------|
| (i) Borrowings | 13 | 118.79 | 105.90 |
| (b) Provisions | 15 | 50.61 | 41.75 |

| | | | |
|--------------------------------------|--|---------------|---------------|
| Total Non-Current Liabilities | | 169.40 | 147.65 |
|--------------------------------------|--|---------------|---------------|

2. Current Liabilities

(a) Financial liabilities

| | | | |
|--|----|----------|----------|
| (i) Borrowings | 13 | 2,022.71 | 1,414.50 |
| (ii) Trade payables | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | 17 | 316.99 | 309.40 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 1,493.92 | 1,303.80 |
| (iii) Other financial liabilities | 14 | 213.12 | 187.02 |
| (b) Other non financial liabilities | 16 | 113.01 | 417.52 |
| (c) Net Employee Benefit Liabilities | 15 | 12.19 | 8.53 |
| (d) Current Tax Liabilities | 6 | 193.73 | 150.77 |

| | | | |
|----------------------------------|--|-----------------|-----------------|
| Total Current Liabilities | | 4,365.67 | 3,791.54 |
|----------------------------------|--|-----------------|-----------------|

| | | | |
|--------------------------|--|-----------------|-----------------|
| Total Liabilities | | 4,535.07 | 3,939.19 |
|--------------------------|--|-----------------|-----------------|

| | | | |
|-------------------------------------|--|------------------|------------------|
| Total Equity and Liabilities | | 12,188.88 | 11,044.20 |
|-------------------------------------|--|------------------|------------------|

| | | | |
|---------------------------------|---|--|--|
| Significant Accounting Policies | 1 | | |
|---------------------------------|---|--|--|

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(GARIMA TATER)
PARTNER
M. NO. 407752
UDIN : 25407752BMMKPF5474

PLACE : JODHPUR
DATED: 30TH MAY, 2025

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

VIMAL BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351851

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

| Particulars | Notes | (₹ in Lacs) | |
|--|-------|------------------------------|------------------|
| | | For the Year ended March 31, | |
| | | 2025 | 2024 |
| INCOME | | | |
| Revenue from Operations | 18 | 10,123.77 | 10,210.95 |
| Other Income | 19 | 44.60 | 31.40 |
| Total Income (A) | | 10,168.37 | 10,242.35 |
| EXPENSES | | | |
| Cost of Material Consumed | 20 | 7,445.28 | 7,163.60 |
| Purchase of Stock in Trade | | - | - |
| Changes in inventories of finished goods, Stock-in-process and stock-in-trade | 21 | (124.00) | 596.86 |
| Employee benefits expenses | 22 | 404.60 | 390.38 |
| Finance costs | 23 | 189.60 | 179.38 |
| Depreciation, depletion and amortization expenses | 2 | 132.82 | 116.82 |
| Other expenses | 24 | 1,356.84 | 1,185.41 |
| Total Expenses (B) | | 9,405.14 | 9,632.44 |
| Profit before exceptional items and tax (A-B) | | 763.23 | 609.90 |
| Exceptional items | | - | - |
| Profit before tax | | 763.23 | 609.90 |
| Tax Expense | | | |
| Current Tax | 6 | 193.73 | 150.77 |
| Prior Period tax | 6 | 18.08 | |
| Deferred tax | 6 | 2.80 | 3.87 |
| Profit after tax for the period (C) | | 548.62 | 455.26 |
| Other comprehensive income | | | |
| (A) Items that will not be reclassified to profit or loss | | | |
| Changes in fair value of equity instruments | | | |
| Remeasurement of post-employment benefit obligations | 27 | (0.55) | (0.28) |
| Income tax relating to these items | 27 | 0.14 | 0.07 |
| (B) Items that will be reclassified to profit or loss | | | |
| | | - | - |
| Other comprehensive income for the period, net of tax (D) | | (0.41) | (0.21) |
| Total Comprehensive Income for the Period (C+D) | | 548.21 | 455.05 |
| Earnings per equity share (EPS) (Face Value of Rs. 1/- each) | 25 | | |
| Basic (In Rs.) | | 4.66 | 3.86 |
| Diluted (In Rs.) | | 4.66 | 3.86 |
| Significant Accounting Policies | 1 | | |
| The accompanying notes are integral part of the standalone financial statements. | | | |

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(GARIMA TATER)
PARTNER
M. NO. 407752
UDIN : 25407752BMMKPF5474

PLACE : JODHPUR
DATED: 30TH MAY, 2025

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

VIMAL BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351851

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED ON 31ST MARCH 2025

(₹ in Lacs)

| Particulars | Number of Shares | Amount |
|---|--------------------|-----------------|
| ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL | | |
| Equity Shares of Rs. 10/- each fully paid up | | |
| Balance as at 1st April, 2023 | 1,17,79,656 | 1,177.97 |
| Changes due to prior period error | - | - |
| Restated balance as at 1st April, 2023 | 1,17,79,656 | 1,177.97 |
| Movements during the year | - | - |
| Balance as at 31st March, 2024 | 1,17,79,656 | 1,177.97 |
| Changes due to prior period error | - | - |
| Restated balance as at 1st April, 2024 | 1,17,79,656 | 1,177.97 |
| Movements during the year | - | - |
| Balance as at 31st March, 2025 | 1,17,79,656 | 1,177.97 |

(₹ in Lacs)

| Particulars | Reserve & Surplus | | Other Comprehensive Income FVOCI - Equity Investments | Total Other Equity |
|--|--------------------|-------------------|---|--------------------|
| | Securities Premium | Retained Earnings | | |
| Balance at April 1, 2023 | 1,818.17 | 3,646.18 | 7.63 | 5,471.98 |
| Changes in accounting policy / prior period errors | - | - | - | - |
| Restated balance at April 1, 2023 | 1,818.17 | 3,646.18 | 7.63 | 5,471.98 |
| Profit for the year | - | 455.26 | - | 455.26 |
| Other comprehensive income for the year | - | - | (0.21) | (0.21) |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | 455.26 | (0.21) | 455.05 |
| Balance at March 31, 2024 | 1,818.17 | 4,101.44 | 7.42 | 5,927.03 |
| Changes in accounting policy / prior period errors | - | - | - | - |
| Restated balance at April 1, 2024 | 1,818.17 | 4,101.44 | 7.42 | 5,927.03 |
| Profit for the year | - | 548.62 | - | 548.62 |
| Other comprehensive income for the year | - | - | (0.41) | (0.41) |
| Interest Income Taxed in Previous Year | - | 0.59 | - | 0.59 |
| Total comprehensive income for the year | - | 549.21 | (0.41) | 548.80 |
| Balance at March 31, 2025 | 1,818.17 | 4650.66 | 7.01 | 6,475.84 |

Purpose of Reserves & Surplus:

(i) **Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

(ii) Retained Earnings: The amount that can be distributed by the Company as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

(GARIMA TATER)
PARTNER
M. NO. 407752
UDIN : 25407752BMMKPF5474

PLACE : JODHPUR
DATED: 30TH MAY, 2025

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

VIMAL BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351851

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

AMIT BAXI
(COMPANY SECRETARY)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

| Particulars | (₹ in Lacs) | |
|--|------------------------------|-----------------|
| | For the Year ended March 31, | |
| | 2025 | 2024 |
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Profit / (loss) Before Tax | 763.23 | 609.90 |
| Adjustments for: | | |
| Depreciation, Amortisation & Depletion | 132.82 | 116.82 |
| Interest & Finance Charges | 109.70 | 121.64 |
| | 1,005.75 | 848.36 |
| Interest and Dividend Income | (41.47) | (29.39) |
| Operating Profit before Working Capital Changes | 964.28 | 818.96 |
| <u>Adjustments for Working Capital Changes</u> | | |
| <u>Change in Current/Non-Current Assets</u> | | |
| (Increase)/decrease in Other Financial Assets | (73.82) | (187.90) |
| (Increase)/decrease in Other Assets | (589.74) | (20.96) |
| (Increase)/decrease in Inventories | (1,217.95) | 560.65 |
| (Increase)/decrease in Trade Receivables | 332.55 | (1,011.90) |
| <u>Change in Current/Non-Current Liabilities</u> | | |
| Increase/(decrease) in Other Financial Liabilities | 26.10 | 4.55 |
| Increase/(decrease) in Provisions | 8.86 | 7.14 |
| Increase/(decrease) in Other Liabilities | (527.65) | (45.87) |
| Increase/(decrease) in Trade payables | 197.71 | 424.03 |
| Cash Generated from/(Used in) Operations | (879.66) | 548.70 |
| Taxes (paid)/ refund | 54.17 | 12.93 |
| Net Cash Generated from/(Used in) Operating Activities (A) | (825.49) | 561.64 |
| <u>B. CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| Cash Paid for Purchase of Assets / CWIP including Joint Arrangements | (101.45) | (88.43) |
| Sale of Investments in Subsidiaries /(Investment in Subsidiaries) | - | - |
| Interest and Dividend Income received | 41.47 | 29.39 |
| Net Cash Generated from/(Used in) Investing Activities (B) | (59.98) | (59.04) |
| <u>C. CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Proceeds /(Repayment) to Non-Current Borrowings (including current maturities) (net) | 12.90 | (227.70) |
| Proceeds /(Repayment) to Current Borrowings (net) | 608.21 | (12.22) |
| Interest & Financing Charges paid | (109.70) | (121.64) |
| Net Cash Generated from/(Used in) Financing Activities (C) | 511.41 | (361.56) |
| Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C) | (374.06) | 141.04 |

Cash and Cash equivalents at the Beginning of the Year

| | | |
|--|---------------|---------------|
| Cash in hand | 12.92 | 8.52 |
| Fixed deposit with original maturity of less than 3 months | - | - |
| Bank Balances | 375.77 | 239.13 |
| | 388.69 | 247.65 |

Cash and Cash equivalents at the End of the Year

| | | |
|--|--------------|---------------|
| Cash in hand | 11.01 | 12.92 |
| Fixed deposit with original maturity of less than 3 months | - | - |
| Bank Balances | 3.61 | 375.77 |
| Total | 14.63 | 388.69 |

Notes:

(i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS-7 Statements of Cash Flows.

(ii) Previous year figures have been regrouped & reclassified wherever considered necessary to confirm to the current year's figures.

(iii) Balance with banks includes Unclaimed dividend of RS. 0.34 Lacs in FY 2023-24 and 2024-25.

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 002464W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

(GARIMA TATER)
PARTNER
M. NO. 407752
UDIN : 25407752BMMKPF5474

O.P.BHANSALI
(MANAGING DIRECTOR)
DIN 00351846

MANISH BOHRA
(CHIEF FINANCIAL OFFICER)

PLACE : JODHPUR
DATED: 30TH MAY, 2025

VIMAL BHANSALI
(WHOLE TIME DIRECTOR)
DIN 00351851

AMIT BAXI
(COMPANY SECRETARY)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1. CORPORATE INFORMATION

Somi Conveyor Beltings Ltd. (referred to as "the company ") is one of the leading Conveyor belts manufacturing companies in India with operations spanning across Rajasthan, Maharashtra, Gujarat and Tamil Nadu with manufacturing facilities located at Jodhpur, Rajasthan.

The Company is a public limited company incorporated and domiciled in India. The registered office of the Company is located at 4F-15, "Oliver House", New Power House Road, Jodhpur. Equity Shares of the Company are listed on Bombay Stock Exchange ("BSE") as well as National Stock Exchange ("NSE").

2. SIGNIFICANT ACCOUNTING POLICIES

(A) General Information and Statement of Compliance with Ind AS

These standalone Ind AS financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. The financial statements are presented in Indian Rupees ("₹") which is also the functional currency of the Company. The financial statements for the year ended 31 March, 2025 were authorized and approved for issue by the Board of Directors on 30th May, 2025.

The revision to financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

(B) Basis for preparation of Financial Statements

The accounts have been prepared in accordance with Ind AS and disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

The financial statements have been prepared on accrual basis and under historical cost basis, except certain financial assets and liabilities measured at fair value.

Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013 and Para 60 and 64 of Ind AS1 "Presentation of Financial Statements".

(C) Use of estimates and judgements

Ind AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

(D) Recognition of Income and Expenses

- i. Revenue from the sale of goods is recognised when all the following conditions have been satisfied:
 - a. the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
 - b. the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - c. the amount of revenue can be measured reliably;
 - d. it is probable that the economic benefits associated with the transaction will flow to the entity; and
 - e. the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- ii. Sales are measured at the fair value of consideration received or receivable. Based on the educational material on Ind AS 115 issued by ICAI, the company has assumed that the recovery of excise duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms a part of the cost of production, irrespective of whether the goods are sold or not. However, Goods and Service Tax (GST) is not received by the company on its own account. Rather, it is tax collected on valued added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.
- iii. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
 - a. the amount of revenue can be measured reliably;
 - b. it is probable that the economic benefits associated with the transaction will flow to the entity;
 - c. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
 - d. the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- iv. Dividend is recognised when the shareholder's right to receive payment is established.
- v. Interest is recognised using the effective interest method as set out in Ind AS 39.
- vi. Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

(E) Cost recognition

Costs and expenses are recognized when incurred and are classified according to their nature. Expenditure capitalized represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction including product development undertaken by the Company.

(F) Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.

(G) Foreign currency

The company's financial statements are presented in INR("₹"), which is also the company's functional currency.

- i. Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- ii. Monetary Assets/Liabilities in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- iii. Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(H) Taxation

i. Income Tax

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in such case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income

Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

ii. Deferred Tax

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

(I) Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(J) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, components and consumables are ascertained on a moving weighted average/monthly moving weighted average basis. Cost including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all costs incurred in bringing the inventory to their present location and condition.

(K) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated. The cost comprises of the purchase price and any attributable cost for bringing the

asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.

Interest cost incurred for constructed assets is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Written down Value (WDV) method over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. The estimated useful life of items of Property, Plant & Equipment is mentioned below:

| | Years |
|---|-------|
| Factory Buildings | 30 |
| Buildings (Other than Factory Buildings) | 60 |
| Plant & Machinery | 25 |
| Furniture & Fixtures and Laboratory Equipments | 10 |
| Vehicles | 8 |
| Office Equipments | 5 |
| Computers | 3 |

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2017 as the deemed cost.

Till year ended 31st March, 2019, the estimated useful life of certain assets of plant and machinery were 15 years with residual value of 5% of original cost. The management, based on internal and external technical evaluation, reassessed the estimates. On the basis of technical evaluation made by the Management, the Company has revised the useful life of those assets in the range of 25 years and residual value to 20% of original cost effective from 1st April, 2019.

(L) Other intangible assets

Intangible Assets are initially recognized at:-

- i. In case the assets are acquired separately, then at cost,
- ii. In case the assets are internally generated, then at capitalized development cost subject to satisfaction of criteria of recognition (identifiability, control and future economic benefit) laid down from clause 11 to 17 of IND AS 38.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. Research costs are recognized as expense in the period in which it is incurred.

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Intangible assets with infinite useful life including goodwill are tested for impairment annually.

Intangible assets with finite useful life are amortized over the useful economic life on a straight line basis. In case of Trade Marks the useful life is taken to be 5 years and in case of Software, the useful life is taken as 3 years.

Any item of intangible assets is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the intangible

asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is de-recognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2017 as the deemed cost.

(M) Leases 116

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(N) Impairment

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

The company assesses impairment based on Expected Credit Losses (ECL) model at an amount equal to:-

- 12 months Expected Credit Losses, or
- Lifetime Expected Credit Losses depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As at March 31, 2025, none of the Company's property, plant and equipment and intangible assets were considered impaired.

(O) Employee benefits

- i. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.
- ii. ESI is provided on the basis of actual liability accrued and paid to authorities.

- iii. Gratuity Liability is on the basis of actuarial valuation as per IND AS-19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets.
- iv. The defined benefit obligation is calculated annually by actuaries. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- v. In accordance with Indian law, eligible employees of the Company is entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).
- vi. Actuarial gain / loss pertaining to re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

(P) Dividends

Any dividend declared or paid by the Company for any financial year is based on the profits available for distribution as reported in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of the Company prepared in accordance with Generally Accepted Accounting Principles in India or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and payment of Dividend) Rules, 2014.

(Q) Segments

Based on "Management Approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker(CODM) evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Board of Directors of the Company allocate resources and assess the performance of the Company, thus are the CODM. The Company is engaged mainly in the business of manufacturing of Conveyor Belts consisting of all types of Conveyor Belts. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment.

(R) Financial instruments

i) Classification, initial recognition and measurement:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost.

Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

- **Financial assets at Amortised Cost:**

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

- **Financial Liabilities:**

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

ii) Derecognition of financial assets and financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity which qualifies for derecognition as per Ind AS 109. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged, cancelled or expires.

iii) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses (ECL) on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal

to life time ECL and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

(S) Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost is recognized as expense in the period in which they are incurred.

(T) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, 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.

(U) Investments

Long term investments intended to be held for more than a year from the date of acquisition, are classified as long term investments and are carried at cost. Provision is made for diminution, other than temporary, in value of investments. Current investments are valued at lower of cost and market value.

(V) Events after the reporting Period

Adjusting Events:

The Company is adjusting the amounts recognized in the financial statements to reflect adjusting events after reporting period.

Non adjusting Events:

All material non adjusting events are disclosed by way of notes stating its nature and material impact or a statement that its estimate cannot be made.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note 2

| Particulars | Gross Block | | | | Depreciation, Depletion and Amortization | | | | Net Block | |
|---|----------------------|--------------------------|--|-----------------------|--|--------------------------|--|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2024 | Addition during the year | Disposal / Adjustments during the year | As at 31st March 2025 | As at 1st April 2024 | Addition during the year | Disposal / Adjustments during the year | As at 31st March 2025 | As at 31st March 2025 | As at 31st March 2024 |
| | (₹ in Lacs) | | | | | | | | | |
| Freehold Land | 593.80 | - | - | 593.80 | - | - | - | - | 593.80 | 593.80 |
| Office Building | 229.04 | - | - | 229.04 | 118.84 | 5.10 | - | 123.93 | 105.11 | 110.20 |
| Factory Building | 1,079.83 | - | - | 1,079.83 | 806.87 | 25.80 | - | 832.67 | 247.16 | 272.96 |
| Plant and Machinery | 4,943.28 | - | - | 4,943.28 | 3,571.53 | 30.26 | - | 3,601.79 | 1,341.49 | 1,371.75 |
| Plant and Machinery-2 | 332.54 | 56.94 | - | 389.48 | 213.73 | 26.96 | - | 240.69 | 148.79 | 118.81 |
| Furniture and Fixture | 109.06 | 2.04 | - | 111.10 | 58.30 | 12.51 | - | 70.82 | 40.28 | 50.76 |
| Laboratory Equipments | 62.88 | - | - | 62.88 | 51.76 | 2.32 | - | 54.09 | 8.79 | 11.11 |
| Office Equipment | 51.31 | 2.89 | - | 54.21 | 31.93 | 8.96 | - | 40.89 | 13.32 | 19.38 |
| Computer Equipment | 31.57 | 2.12 | - | 33.69 | 29.41 | 1.27 | - | 30.68 | 3.01 | 2.16 |
| Vehicles | 188.64 | 108.27 | - | 296.90 | 164.74 | 18.99 | - | 183.73 | 113.17 | 23.89 |
| Total Property, Plant & Equipment | 7,621.95 | 172.26 | - | 7,794.21 | 5,047.12 | 132.16 | - | 5,179.28 | 2,614.92 | 2,574.82 |
| B. Intangible Assets as at 31st March 2025 | | | | | | | | | | |
| Trade Mark, Computer Software & Website Development | 6.31 | 1.69 | - | 8.00 | 5.25 | 0.66 | - | 5.91 | 2.09 | 1.06 |
| C. Capital Work In Progress as at 31st March 2025 | | | | | | | | | | |
| Capital Work In Progress ** | 183.03 | 110.53 | 183.03 | 110.53 | - | - | - | - | 110.53 | 183.03 |
| Total (A+B+C) | 7,811.29 | 284.48 | 183.03 | 7,912.74 | 5,052.37 | 132.82 | - | 5,185.19 | 2,727.54 | 2,758.91 |

** Adjustment in Capital Work in Progress includes INR 110.71 Lacs pertaining to deferred revenue expense which was incurred in development phase for inventing new product range SEHR-99 grade conveyor belt and needs to amortise over the period has been transferred to Other Non Current Assets of INR 83.03 Lacs and Other Current Assets of INR 27.68 lacs in order to fare presentation of FA schedule as there is no such new assets creating which could be transfer from CWIP to Block of Assets hence adjustment made accordingly.

CWIP AGING SCHEDULE 2024-25
(₹ in Lacs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|--------------------------------|-----------|-----------|-------------------|----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 110.53 | | | | 110.53 |
| Development in Progress | 27.68 | 27.68 | 27.68 | 27.67 | 110.71 |
| Less: Transfer to Other Current Assets ** | (27.68) | (27.68) | (27.68) | (27.67) | -110.71 |
| | 110.53 | - | - | - | 110.53 |

** Amount incurred in development phase for inventing new product range SEHR-99 grade conveyor belting transfer to Other Current Assets and Other Non Current Assets, refer note 2 PPE for details.

CWIP Completion Schedule

| Particulars | To be Completed in | | | | Total |
|-------------|--------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects 1 | 104.31 | | | | 104.31 |
| Projects 2 | 3.61 | | | | 3.61 |
| Projects 3 | 2.61 | | | | 2.61 |
| | 110.53 | - | - | - | 110.53 |

2023-24

| Particulars | Amount in CWIP for a period of | | | | Total |
|-------------------------|--------------------------------|--------------|--------------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 44.65 | | | | 44.65 |
| Development in Progress | 27.68 | 27.68 | 27.68 | 55.34 | 138.38 |
| | 72.33 | 27.68 | 27.68 | 55.34 | 183.03 |

CWIP Completion Schedule

| Particulars | To be Completed in | | | | Total |
|-------------|--------------------|--------------|--------------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project 1 | 20.70 | | | | 20.70 |
| Project 2 | 12.65 | | | | 12.65 |
| Project 3 | 11.30 | | | | 11.30 |
| Project 4 | 27.68 | 27.68 | 27.68 | 55.34 | 138.38 |
| | 72.33 | 27.68 | 27.68 | 55.34 | 183.03 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

**NOTE 3.
INVESTMENTS**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|---------------------------------|---------------------------------|
| Non-Current | | |
| NSC | 0.23 | 0.23 |
| Total Non Current Investments | 0.23 | 0.23 |

**NOTE 4.
LOANS**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Current | | |
| Loans and Advances to Employees Unsecured, considered good | 6.75 | 18.35 |
| Total Current Loans | 6.75 | 18.35 |

Advance granted to Employees as per Company Policy on short term advance basis.

**NOTE 5.
OTHER FINANCIAL ASSETS**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Non-Current | | |
| Security & other deposits | 92.24 | 93.63 |
| Total Non-Current Financial Assets | 92.24 | 93.63 |
| Current | | |
| Security & other deposits | 46.73 | 93.85 |
| Total Current Financial Assets | 46.73 | 93.85 |

NOTE 6.**A) NON CURRENT TAX ASSETS (NET)**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|---------------------------------|---------------------------------|
| Advance Income Tax | 150.00 | 88.00 |
| Provision for Tax | (211.81) | (150.77) |
| Non Current Tax Assets (Net) | (61.81) | (62.77) |

B) TAX EXPENSE

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|---------------------------------|---------------------------------|
| Current Income Tax | 193.73 | 150.77 |
| Prior Period Tax | 18.08 | |
| Deferred Tax Expense | 2.80 | 3.88 |
| Total Tax Expense for the Year | 214.61 | 154.65 |

| Reconciliation of effective income tax rate | | (₹ in Lacs) | |
|---|---------------------------------|---------------------------------|--|
| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 | |
| Profit before tax | | | |
| Tax using the Company's domestic tax rate @ 25.168% (Last Year @ 25.168%) | 763.23 | 609.91 | |
| Tax effect of: | | | |
| Non-deductible tax expenses | | | |
| Provision for bad debts not allowable for taxes | 73.46 | 54.51 | |
| Provision for CSR Expense | 9.00 | | |
| Donation | 2.00 | | |
| Depreciation as per Statement of Profit and Loss | 132.82 | 116.82 | |
| Interest on TDS and Previous Year Income Tax | | 0.01 | |
| Previous Year Income Tax | | 3.50 | |
| GST Penalty | | 0.28 | |
| Provision for Interest on MSME Creditors | 6.08 | | |
| Disallowance U/s 43B | | | |
| Any sum payable by way of contribution to any provident fund or superannuation fund or gratuity fund or any other fund for the welfare of employees-Gratuity & Leave Encashment | 18.80 | 13.89 | |
| Deductions | | | |
| Depreciation as per Income tax act | 188.57 | 194.25 | |
| Deduction allowable - Others | | | |
| Deduction u/s. 43B | 5.67 | 5.61 | |
| Earlier Year Bad Debts Prov Reversed | 41.42 | | |
| Total Taxable Income | 769.73 | 599.05 | |
| Tax expense recognised in Statement of Profit & Loss at the effective tax rate of 25.168 % | 193.73 | 150.77 | |
| Short / (Excess) Provision for tax for earlier years | 18.08 | | |
| Deferred Tax Liability | 2.80 | 3.88 | |
| Total Tax Liability recognised in Statement of Profit & Loss account | 214.61 | 154.65 | |

| C) DEFERRED TAX ASSET/ (LIABILITIES) [NET] | | (₹ in Lacs) | | | | | | |
|---|------------------------------------|-------------------------------------|--------------------------|--------------------------------------|--------------|------------|---------------------------|-------------------------------|
| Particulars | 31st March, 2025 | | | | | | | |
| | Net balance April 1, 2024 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Other | Net | Deferred tax asset | Deferred tax liability |
| Deferred tax asset/ (liabilities) | | | | | | | | |
| On deficit of carrying value of PPE over Tax base | (120.22) | (14.04) | - | - | - | (134.26) | - | (134.26) |
| Provision for Employee Benefit | 7.00 | 1.10 | 0.14 | - | - | 8.24 | 8.24 | - |
| Provision for Expenses | 42.00 | 10.13 | - | - | - | 52.13 | 52.13 | - |
| Deffered Revenue | (4.25) | - | - | - | - | (4.25) | - | (4.25) |
| Other items | 85.53 | - | - | - | - | 85.53 | 85.53 | - |
| Tax assets/ (liabilities) | - | (2.81) | - | - | - | - | 145.90 | (138.51) |
| Net tax assets/ (liabilities) | 10.06 | - | - | - | - | - | 7.39 | - |

(₹ in Lacs)

| Particulars | 31 st March, 2024 | | | | | | | |
|---|------------------------------|------------------------------|-------------------|-------------------------------|-------|----------|--------------------|------------------------|
| | Net balance April 1, 2023 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Other | Net | Deferred tax asset | Deferred tax liability |
| Deferred tax asset/ (liabilities) | - | - | - | - | - | - | - | - |
| On deficit of carrying value of PPE over Tax base | (100.74) | (19.48) | - | - | - | (120.22) | - | (120.22) |
| Provision for Employee Benefit | 6.81 | 0.12 | 0.071 | - | - | 7.00 | 7.00 | - |
| Provision for Expenses | 26.51 | 15.49 | - | - | - | 42.00 | 42.00 | - |
| Deferred Revenue | (4.25) | - | - | - | - | (4.25) | - | (4.25) |
| Other items | 85.53 | - | - | - | - | 85.53 | 85.53 | - |
| Tax assets/ (liabilities) | - | (3.87) | - | - | - | - | 134.53 | (124.47) |
| Net tax assets/ (liabilities) | 13.86 | - | - | - | - | - | 10.06 | - |

NOTE 7**OTHER NON-FINANCIAL ASSETS**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Non-Current | | |
| Prepaid expense | 51.66 | 17.26 |
| Capital Advances | 256.01 | - |
| Other Non Current Assets ** | 83.03 | - |
| Total Non-current non-financial assets | 390.70 | 17.26 |
| Current | | |
| Prepaid expense | 101.01 | 96.35 |
| Advances to vendors | 136.54 | 19.20 |
| Balance with Government Authorities | 316.73 | 236.49 |
| Other non financial assets ## | 38.62 | 21.90 |
| Total current non-financial assets | 592.89 | 373.94 |

** Other Non Current Assets contains deferred revenue expense, refer note-2 PPE for details.

Other current assets includes deferred revenue expense of Rs. 27.68 Lacs, refer note-2 PPE for details.

NOTE 8**INVENTORIES (For valuation, refer significant accounting policy)**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------|----------------------|----------------------|
| Raw materials & components | 2,825.09 | 1731.14 |
| Work-in-progress | 399.72 | 587.61 |
| Finished goods | 608.58 | 296.69 |
| Total Inventories | 3833.40 | 2,615.44 |

Inventories have been hypothecated with banks against working capital loans.

NOTE 9
TRADE RECEIVABLES
(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Non Current | | |
| Trade Receivable considered good - Unsecured | 79.37 | 129.79 |
| Trade Receivable considered doubtful - Unsecured | 127.14 | 88.06 |
| Trade Receivable Credit Impaired | - | - |
| Less : Impairment on account of expected credit loss assessment | (122.07) | (88.06) |
| Total Trade Receivables | 84.44 | 129.79 |

a. Details of Trade Receivable Ageing
As at 31st March, 2025
(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | | Total |
|--|----------|---------|---|-------------------|-----------|-----------|-------------------|----------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | - | - | - | - | - | - | 79.37 | 79.37 |
| Undisputed Trade Receivables - Considered doubtful | - | - | - | - | - | - | 111.22 | 111.22 |
| Less: Impairment on account of expected credit loss assessment | | | | | | | (111.22) | 111.22 |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered doubtful | - | - | - | - | - | - | 15.92 | 15.92 |
| Less: Impairment on account of expected credit loss assessment | | | | | | | (10.85) | (10.85) |
| Total Trade Receivables | - | - | - | - | - | - | 84.44 | 84.44 |

As at 31st March, 2024
(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | | Total |
|--|----------|---------|---|-------------------|-----------|-----------|-------------------|----------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | - | - | - | - | - | - | 121.34 | 121.34 |
| Undisputed Trade Receivables - Considered doubtful | - | - | - | - | - | - | 79.61 | 79.61 |
| Less: Impairment on account of expected credit loss assessment | | | | | | | (79.61) | (79.61) |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | 8.45 | 8.45 |
| Disputed Trade Receivables - Considered doubtful | - | - | - | - | - | - | 8.45 | 8.45 |
| Less: Impairment on account of expected credit loss assessment | | | | | | | (8.45) | (8.45) |
| Total Trade Receivables | - | - | - | - | - | - | 129.79 | 129.79 |

TRADE RECEIVABLES

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Current | | |
| Trade Receivable considered good – Unsecured | 3801.40 | 4088.60 |
| Trade Receivable considered doubtful - Unsecured | 26.19 | 13.57 |
| Trade Receivable Credit Impaired | - | - |
| Less : Impairment on account of expected credit loss assessment | (26.19) | (13.57) |
| Total Trade Receivables | 3801.40 | 4088.60 |

a. Details of Trade Receivable Ageing**As at 31st March, 2025**

(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | | Total |
|---|-----------------|-----------------|--|--------------------------|------------------|------------------|--------------------------|-----------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | - | 2,838.23 | 440.51 | 373.19 | 76.80 | 11.27 | 61.40 | 3,801.40 |
| Undisputed Trade Receivables - Considered doubtful | - | - | - | - | 8.11 | 1.25 | 16.83 | 26.19 |
| Less : Impairment on account of expected credit loss assessment | - | - | - | - | (8.11) | (1.25) | (16.83) | (26.19) |
| Total Trade Receivables | - | 2,838.23 | 440.51 | 373.19 | 76.80 | 11.27 | 61.40 | 3,801.40 |

As at 31st March, 2024

(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | | Total |
|---|-----------------|-----------------|--|--------------------------|------------------|------------------|--------------------------|-----------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | - | 2,996.03 | 613.63 | 231.90 | 102.62 | 6.45 | 137.98 | 4,088.60 |
| Undisputed Trade Receivables - Considered doubtful | - | - | - | - | 2.03 | 0.31 | 11.23 | 13.58 |
| Less : Impairment on account of expected credit loss assessment | - | - | - | - | (2.03) | (0.31) | (11.23) | (13.58) |
| Total Trade Receivables | - | 2,996.03 | 613.63 | 231.90 | 102.62 | 6.45 | 137.98 | 4,088.60 |

Trade Receivables include balance with related parties. (refer to Note No. 29)

NOTE 10
CASH AND CASH EQUIVALENTS & OTHER BANK BALANCES
(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalents* | | |
| Balance with banks / financial institutions | | |
| Unclaimed Dividend In Current A/c (Earmarked Funds) | 0.34 | 0.34 |
| Other Balance in Current A/c | 3.28 | 375.43 |
| Cash in hand | 11.01 | 12.92 |
| Total Cash and Cash Equivalents | 14.63 | 388.69 |
| Other Bank Balances | | |
| Margin money deposits | | |
| With original maturity of more than 3 months but upto 12 months | 590.54 | 455.45 |
| Total Other Bank Balances | 590.54 | 455.45 |

NOTE 11
EQUITY SHARE CAPITAL
(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| AUTHORISED SHARE CAPITAL * | | |
| 2,50,00,000 equity shares of Rs. 10 each (31st March, 2024 : 2,50,00,000 equity shares of Rs. 10 each) | 2,500.00 | 2,500.00 |
| Total | 2,500.00 | 2,500.00 |
| Issued, subscribed and paid up capital* | | |
| 1,17,79,656 equity shares of Rs. 10 each (31st March, 2024 : 1,17,79,656 equity shares of Rs. 10 each) | 1,177.97 | 1,177.97 |
| Total | 1,177.97 | 1177.97 |

* There are no movements / changes in authorised, issued, subscribed and fully paid up equity share capital.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

| PARTICULARS | No. of Shares Equity Shares of Rs.10 each fully paid | (₹ in Lacs) |
|--------------------------------------|---|-----------------|
| Shares outstanding at 1st April 2023 | 1,17,79,656 | 1,177.97 |
| Add : Shares issued during the year | - | - |
| As at 31st March 2024 | 1,17,79,656 | 1,177.97 |
| Shares outstanding at 1st April 2024 | 1,17,79,656 | 1,177.97 |
| Add : Shares issued during the year | - | - |
| As at 31st March 2025 | 1,17,79,656 | 1,177.97 |

Details of shareholder(s) holding more than 5% Equity Shares in the company:

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|---------------------------------|---------------------------------|
| Number of Equity Shares | | |
| Om Prakash Bhansali | 44,17,011 | 44,17,011 |
| Om Kumari Bhansali | 10,91,221 | 10,91,221 |
| Vimal Bhansali | 5,98,840 | 5,98,840 |
| % Holding in Equity Shares | | |
| Om Prakash Bhansali | 37.50% | 37.50% |
| Om Kumari Bhansali | 9.26% | 9.26% |
| Vimal Bhansali | 5.08% | 5.08% |

Disclosure of Shareholding of Promoters

| Promoter Name | Class of Shares | As at 31 March 2025 | | As at 1 April 2024 | | % Change during the year |
|---------------------------|------------------------|----------------------------|-----------------------------|---------------------------|-----------------------------|---|
| | | No. of Shares | %of total shares | No. of Shares | %of total shares | |
| Om Prakash Bhansali | Equity | 44,17,011 | 37.50% | 44,17,011 | 37.50% | - |
| Om Kumari Bhansali | Equity | 10,91,221 | 9.26% | 10,91,221 | 9.26% | - |
| Vimal Bhansali | Equity | 5,98,840 | 5.08% | 5,98,840 | 5.08% | - |
| Priya Bhansali | Equity | 68,691 | 0.58% | 68,691 | 0.58% | - |
| Gaurav Bhansali | Equity | 5,77,305 | 4.90% | 5,77,305 | 4.90% | - |
| Ruchi Bhansali | Equity | 72,689 | 0.62% | 72,689 | 0.62% | - |
| Om Prakash Bhansali (HUF) | Equity | 1,35,000 | 1.15% | 1,35,000 | 1.15% | - |

| Promoter Name | Class of Shares | As at 31 March 2024 | | As at 1 April 2023 | | % Change during the year |
|---------------------------|------------------------|----------------------------|-----------------------------|---------------------------|-----------------------------|---|
| | | No. of Shares | %of total shares | No. of Shares | %of total shares | |
| Om Prakash Bhansali | Equity | 44,17,011 | 37.50% | 44,17,011 | 37.50% | - |
| Om Kumari Bhansali | Equity | 10,91,221 | 9.26% | 10,91,221 | 9.26% | - |
| Vimal Bhansali | Equity | 5,98,840 | 5.08% | 5,98,840 | 5.08% | - |
| Priya Bhansali | Equity | 68,691 | 0.58% | 68,691 | 0.58% | - |
| Gaurav Bhansali | Equity | 5,77,305 | 4.90% | 5,72,305 | 4.90% | - |
| Ruchi Bhansali | Equity | 72,689 | 0.62% | 72,689 | 0.62% | - |
| Om Prakash Bhansali (HUF) | Equity | 1,35,000 | 1.15% | 1,35,000 | 1.15% | - |

NOTE 12

OTHER EQUITY

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------|---------------------------------|---------------------------------|
| Securities Premium | 1,818.17 | 1,818.17 |
| Retained Earnings | 4,650.66 | 4,101.45 |
| Other Comprehensive Income | 7.01 | 7.42 |
| Total Other Equity | 6,475.84 | 5,927.04 |

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|---------------------------------|---------------------------------|
| Securities Premium | | |
| Opening Balance | 1,818.17 | 1,818.17 |
| Movements during the year | - | - |
| Less: Utilisation during the year | - | - |
| Total Securities Premium | 1,818.17 | 1,818.17 |

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|---------------------------------|---------------------------------|
| Retained Earnings | | |
| Opening Balance | 4,101.45 | 3,646.18 |
| Add: | | |
| Profit/(Loss) during the year | 548.62 | 455.26 |
| Interest Credit to JVVNL Securities | 0.59 | - |
| Total Retained Earnings | 4,650.66 | 4,101.45 |

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Other Comprehensive Income | | |
| Opening Balance | 7.42 | 7.63 |
| Current Year OCI | (0.41) | (0.21) |
| Total Other Comprehensive Income | 7.01 | 7.42 |

The Company has re-measured its long term employee benefits and the corresponding liabilities on the basis of report of an actuary and accordingly movement in OCI during the year is reported. Refer Note-26 for detailed disclosure.

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in full.

NOTE 13
BORROWINGS

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|---|---------------------------------|---------------------------------|
| Non-Current Borrowings | | |
| Secured | | |
| Term Loan from Banks | 118.79 | 105.90 |
| Unsecured | | |
| Loan from Directors | - | - |
| Total Non-Current Borrowings | 118.79 | 105.90 |
| Current Borrowings | | |
| Secured | | |
| Cash Credit | 1,939.47 | 1,347.24 |
| | 1,939.47 | 1,347.24 |
| Current Maturities of Non-Current Borrowings | | |
| Secured | | |
| Term Loan from Banks | 83.25 | 65.07 |
| Unsecured | | |
| Loan from Directors | | 2.19 |
| | 83.25 | 67.26 |
| Total current borrowings | 2,022.71 | 1,414.50 |

Note: 1. There is no default in repayment of principal loan or interest thereon.

2. Cash Credits are secured by way of Hypothecation of Current Assets present and future including entire Stock, Raw Materials, Consumable Stores and Spares, Finished Goods and Book Debts.

3. Quarterly returns / statements of current assets filed by the Company with the banks are in agreement with the books of accounts.

a. Loan repayment schedule

| Sr. No | Particulars | Total Outstanding* | Maturity period | Rate of Interest (p.a.) | Repayable in | | |
|--------|----------------------------|--------------------|-----------------|-------------------------|--------------|---------------|--------------|
| | | | | | 12 months | 2-4 years | 5-7 years |
| 1 | PNB GECL T/L 1.0 Extension | 89.35 | 2026-27 | 7.65% | 61.17 | 28.18 | - |
| 2 | PNB Car Loan | 15.01 | 2028-29 | 7.85% | 3.91 | 11.10 | |
| 3 | Mercedes Car Loan | 97.69 | 2029-30 | 8.60% | 18.17 | 64.86 | 14.66 |
| | TOTAL | 202.05 | | | 83.25 | 104.14 | 14.66 |

*The amounts outstanding for various loans as on 31st March, 2025 are as per the terms of the agreement. The amount represents actual amount payable to banks on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind AS.

NOTE 14**OTHER FINANCIAL LIABILITIES**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Current | | |
| Payables on Purchase of Fixed Assets | - | - |
| Other Payables* | 213.12 | 187.02 |
| Total Current Financial Liabilities | 213.12 | 187.02 |

* Other payables include Creditors for Expenses.

NOTE 15**PROVISIONS**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|----------------------|----------------------|
| Non-Current | | |
| Provision for gratuity* | 50.61 | 41.75 |
| Total Non-Current Provisions | 50.61 | 41.75 |
| Current | | |
| Provision for gratuity | 6.20 | 6.31 |
| Provision for leave encashment | 5.99 | 2.22 |
| Total Current Provisions | 12.19 | 8.53 |

*The Company has re-measured its long-term employee benefits and the corresponding liabilities on the basis of report of an actuary and accordingly gratuity provision classified into current and non-current provisions. Refer Note-26 for detailed disclosure.

NOTE 16**OTHER NON FINANCIAL LIABILITIES**

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Current | | |
| Statutory Liability | 64.53 | 347.30 |
| Advance from customers | 16.35 | 42.07 |
| Unclaimed Dividend | 0.34 | 0.34 |
| Other non financial liabilities | 31.79 | 27.80 |
| Total Current Non-Financial Liabilities | 113.01 | 417.52 |

**NOTE 17
TRADE PAYABLES**
(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--|---------------------------------|---------------------------------|
| Total outstanding dues of micro enterprises and small enterprises | 316.99 | 309.40 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,493.92 | 1303.80 |
| Total Trade Payables | 1,810.91 | 1613.21 |

**a. Trade Payable Ageing schedule:
As at 31st March, 2025**
(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | Total |
|--------------------|-----------------|-----------------|--|------------------|------------------|------------------------------|-----------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 316.99 | - | - | - | - | 316.99 |
| (ii) Others | - | 1,421.03 | 72.89 | - | - | - | 1,493.92 |
| Total | - | 1,738.02 | 72.89 | - | - | - | 1,810.91 |

As at 31st March, 2024
(₹ in Lacs)

| Particulars | Unbilled | Not Due | Outstanding for following period from due date of payment | | | | Total |
|--------------------|-----------------|-----------------|--|------------------|------------------|------------------------------|-----------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 309.40 | - | - | - | - | 309.40 |
| (ii) Others | - | 1,201.14 | 102.66 | - | - | - | 1,303.80 |
| Total | - | 1,510.54 | 102.66 | - | - | - | 1,613.21 |

b. Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006
(₹ in Lacs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|-----------------------------------|-----------------------------------|
| 1. The principal amount outstanding as at the end of accounting year. | | |
| a) Trade payable | 316.99 | 309.40 |
| b) Capital creditors | - | - |
| 2. Principal amount due and remaining unpaid as at the end of accounting year. | - | - |
| 3. Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year. | - | - |
| 4. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | 6.08 | - |
| 5. Interest accrued and remaining unpaid at the end of accounting year (Refer Note below). | - | - |
| 6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 18**REVENUE FROM OPERATIONS****(₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|--|--------------------|------------------|
| | March 31, 2025 | March 31, 2024 |
| Sale of Products | 10,123.77 | 10,210.69 |
| Export Incentives | | 0.26 |
| Total Revenue from Operations | 10,123.77 | 10,210.95 |
| a. Sale of Products comprises of: | | |
| (a) Manufactured Goods | 10,122.98 | 10,193.35 |
| (b) Traded Goods | - | - |
| (c) Sale of Scrap | 0.79 | 4.59 |
| (d) Service Charges | | 12.76 |
| | 10,123.77 | 10,210.69 |

NOTE 19**OTHER INCOME****(₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|---------------------------------------|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Interest Income | | |
| Interest on fixed deposits with banks | 39.00 | 28.25 |
| Other interest | 2.78 | 1.14 |
| Gain on exchange fluctuations | 2.82 | 1.85 |
| Other non-operating income | - | 0.16 |
| Total Other Income | 44.60 | 31.40 |

NOTE 20**COST OF MATERIAL CONSUMED****(₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|--|--------------------|-----------------|
| | March 31, 2025 | March 31, 2024 |
| Opening Inventory | 1,731.14 | 1,694.94 |
| Add: Purchases During The Year | 8,539.23 | 7,199.80 |
| Less: Closing Inventory | 2,825.09 | 1,731.14 |
| Total Cost of Material Consumed | 7,445.28 | 7,163.60 |

NOTE 21**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS & STOCK-IN-TRADE****(₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|---|--------------------|-----------------|
| | March 31, 2025 | March 31, 2024 |
| Inventories (at closing) | | |
| Finished Goods | 608.58 | 296.69 |
| Work-in-progress | 399.72 | 587.61 |
| (A) | 1,008.30 | 884.30 |
| Inventories (at beginning) | | |
| Finished Goods | 296.69 | 528.35 |
| Work-in-progress | 587.61 | 952.81 |
| (B) | 884.30 | 1,481.16 |
| Total Change in Inventories of Finished Goods, Stock in Process and Stock in Trade-(A)+(B) | (124.00) | 596.86 |

**NOTE 22.
EMPLOYEE BENEFITS EXPENSES (₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|---|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Salaries & wages | 382.12 | 368.23 |
| Contribution to provident fund & others | 20.47 | 18.22 |
| Staff welfare expenses | 2.01 | 3.93 |
| Total Employee Benefit Expenses | 404.60 | 390.38 |

**NOTE 23
FINANCE COSTS (₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|----------------------------|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Interest Expense | 109.70 | 121.64 |
| Bank Charges | 79.90 | 57.74 |
| Total Finance Costs | 189.60 | 179.38 |

**NOTE 24
OTHER EXPENSES (₹ in Lacs)**

| PARTICULARS | For the Year Ended | |
|---------------------------------|--------------------|-----------------|
| | March 31, 2025 | March 31, 2024 |
| Power & Fuel | 343.92 | 294.77 |
| Consumable Stores | 73.80 | 68.55 |
| Testing Charges | 6.57 | 17.84 |
| Factory Expenses | 5.63 | 2.87 |
| Freight Expenses | 304.82 | 304.37 |
| Packing Expenses | 16.60 | 1.45 |
| Water expense | 4.13 | 3.04 |
| Repairs & Maintenance Expenses | 49.74 | 55.65 |
| Legal Expenses | 7.27 | 7.77 |
| Bad Debts Provision# | 73.46 | 54.51 |
| Bad Debts Written off | 2.99 | 66.21 |
| Freight Expenses | 65.27 | - |
| Printing & Stationary Expenses | 1.24 | 1.11 |
| Professional Fees | 29.00 | 23.61 |
| Selling & Distribution Expenses | 92.32 | 89.68 |
| Administrative Expenses | 32.98 | 30.21 |
| Auditors Remuneration | 6.50 | 6.50 |
| Insurance | 62.16 | 33.95 |
| Interest on Statutory Dues | 0.15 | 0.23 |
| Office Rent | 1.10 | 1.10 |
| Travelling Expenses | 19.62 | 12.96 |
| Other Expenses | 157.56 | 109.03 |
| Total Other Expenses | 1,356.84 | 1,185.41 |

Bad Debts Provisions

The Company has made provision for doubtful debts of Rs.73.46 lacs during the period by debiting the Profit and Loss Account. Also an amount of Rs. 41.42 lacs which was not recoverable after making all efforts hence set off by utilising earlier year provisions.

a. Payment to Auditors as: (₹ in Lacs)

| PARTICULARS | For the Year Ended | |
|----------------------------------|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Internal Audit Fees | 1.40 | 1.40 |
| Statutory Audit Fees | 2.75 | 2.75 |
| Tax Audit Fees | 1.25 | 1.25 |
| Other Services | 1.10 | 1.10 |
| Total payment to Auditors | 6.50 | 6.50 |

b (i). Corporate Social Responsibility Expenses (₹ in Lacs)

As per Section 135 of the Companies Act, 2013, the Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

| PARTICULARS | For the Year Ended | |
|--|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Gross amount required to be spent by the Company during the year | 8.63 | - |
| Amount approved by the Board to be spent during the year | 9.00 | - |
| Amount spent during the year | 9.00 | - |
| Shortfall/(Excess) at the end of the year | (0.37) | - |

b (ii). Nature of CSR Activities (₹ in Lacs)

| PARTICULARS | For the Year Ended | |
|--|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Expenditure during the year | | |
| Contribution to Charitable Trust for Distributing Food Packets / Grains to needy people, Rural Developments, Education Women Empowerment, Healthcare & Medical Activities and Environment Protection Activities etc. | 9.00 | - |
| Total | 9.00 | - |

b (iii). Details of CSR expenses other than ongoing project: (₹ in Lacs)

| PARTICULARS | For the Year Ended | |
|---|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Opening balance | - | - |
| Amount required to be spent during the year | - | - |
| Amount spent during the year | - | - |
| Closing balance | - | - |

b (iv). Details of CSR expenses other than ongoing project: (₹ in Lacs)

| PARTICULARS | For the Year Ended | |
|-----------------------------------|--------------------|----------------|
| | March 31, 2025 | March 31, 2025 |
| Opening Balance | - | - |
| Add: Increased during the year | - | - |
| Less: Utilisation during the year | - | - |
| Closing Balance | - | - |

b (v). Details of CSR expenses other than ongoing project: (₹ in Lacs)

| PARTICULARS | For the Year Ended | |
|--|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Opening Balance | - | - |
| Add: Excess spent during the year | - | - |
| Closing Balance (Available for set off in succeeding years) | - | - |

**NOTE 25
EARNINGS PER SHARE**

| PARTICULARS | For the Year Ended | |
|---|--------------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Profit Attributable to Equity Holders for (Rs. in Lacs): | | |
| Basic earnings | 548.62 | 455.26 |
| Adjusted for the effect of dilution | 548.62 | 455.26 |
| Weighted Average Number of Equity Shares for: | | |
| Basic EPS | 1,17,79,656 | 1,17,79,656 |
| Adjusted for the effect of dilution | 1,17,79,656 | 1,17,79,656 |
| Earnings Per Equity Share (EPS) (Face Value of Rs.10/-) | | |
| Basic (Rs.) (not annualised) | 4.66 | 3.86 |
| Diluted (Rs.) (not annualised) | 4.66 | 3.86 |

NOTE 26. As per Ind AS 19 "Employee Benefits", the disclosures as defined are given below:

Assumptions used for valuation: In arriving at the valuation for gratuity, following assumptions were used:

| Particulars | 2024-25 | 2023-24 |
|-------------------------------|---|---|
| | Gratuity (Unfunded) | Gratuity (Unfunded) |
| Mortality | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |
| Rate of Employee Turnover | 5.00% | 5.00% |
| Rate of Discounting | 6.73% | 7.19% |
| Rate of Return on Plan Assets | NA | NA |
| Rate of Salary escalation | 5.00% | 5.00% |

The following table sets out status of gratuity plan and leave salary as required under Indian Accounting Standard 19 on "Employee Benefit".

| Particulars | (₹ in Lacs) | |
|-------------|---------------------|---------------------|
| | 2024-25 | 2023-24 |
| | Gratuity (Unfunded) | Gratuity (Unfunded) |

I. Table showing change in employee benefit obligation

| | | |
|------------------------------------|-------|-------|
| Opening defined benefit obligation | 48.06 | 40.75 |
| Interest Cost | 3.46 | 3.03 |
| Current Service Cost | 4.74 | 4.00 |
| Past Service Cost | - | - |

| | | |
|---|--------------|--------------|
| Benefit Paid | - | - |
| Actuarial Loss / (gain) on Obligations | | |
| Due to Demographic Assumptions | - | - |
| Due to Financial Assumptions | 1.76 | 0.83 |
| Due to Experience | (1.21) | (0.54) |
| Liability at the end of the period | 56.81 | 48.07 |

II. Table showing change in Fair Value of Plan Assets

| | | |
|--|---|---|
| Fair Value of Plan Assets at the beginning | - | - |
| Adjustment to Opening fund | - | - |
| Expected Return on Plan Assets | - | - |
| Contributions | - | - |
| Benefit Paid | - | - |
| Actuarial gain /(loss) on Plan Assets | - | - |
| Fair Value of Plan Assets at the end of the period | - | - |

III. Expense recognized in Statement of Profit & Loss

| | | |
|---|-------------|-------------|
| Current Service cost | 4.74 | 4.00 |
| Past Service Cost | - | - |
| Interest cost | 3.46 | 3.03 |
| Total Expense recognized in SOPL during the year | 8.20 | 7.03 |

IV. Actual Gain / loss recognized in Other Comprehensive Income

| | | |
|---|-------------|-------------|
| Actuarial (gain) / loss on obligations | 0.55 | 0.28 |
| Actuarial (gain) / loss on Plan Assets | - | - |
| Income Tax relating to Actuarial Gain / Loss | (0.14) | (0.07) |
| Net Actuarial (gain) / loss recognized during the year | 0.41 | 0.21 |

V. Amount recognized in Balance Sheet

| | | |
|---|--------------|--------------|
| Liability at the end of the period | 56.81 | 48.07 |
| Fair Value of Plan Asset at the end of the period | | - |
| Net Amount recognized in Balance Sheet | 56.81 | 48.07 |
| Current liability | 6.20 | 6.31 |
| Non-current liability | 50.61 | 41.76 |
| Total Liability | 56.81 | 48.07 |

VI. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Sensitivity analysis - Gratuity | 2024-25 | | 2023-24 | |
|--------------------------------------|----------|----------|----------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (3.70) | 4.20 | (3.15) | 3.57 |
| Salary growth rate (1% movement) | 4.23 | (3.79) | 3.62 | (3.24) |
| Employee turnover rate (1% movement) | 0.43 | (0.48) | 0.50 | (0.56) |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

27. FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS
A. Financial instruments by category and their fair value

(₹ in Lacs)

| As at March 31, 2025 | Carrying amount | | | | Fair value | | | |
|---|-----------------|--------|----------------|----------------|--|---|---|----------------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 - Quoted price in active markets | Level 2 - Significant observable inputs | Level 3 - Significant unobservable inputs | Total |
| Financial assets | | | | | | | | |
| Investments- Non-Current | - | - | 0.23 | 0.23 | - | 0.23 | - | 0.23 |
| Trade Receivables | - | - | - | - | - | - | - | 0.00 |
| - Non-current | - | - | 84.44 | 84.44 | - | 84.44 | - | 84.44 |
| - Current | - | - | 3801.40 | 3801.40 | - | 3801.40 | - | 3801.40 |
| Loans- Current | - | - | 6.75 | 6.75 | - | 6.75 | - | 6.75 |
| Cash and Cash Equivalents | - | - | 14.63 | 14.63 | - | 14.63 | - | 14.63 |
| Other Bank Balances | - | - | 590.54 | 590.54 | - | 590.54 | - | 590.54 |
| Other financial assets | | | | | | | | |
| - Non-current | - | - | 92.24 | 92.24 | - | 92.24 | - | 92.24 |
| - Current | - | - | 46.73 | 46.73 | - | 46.73 | - | 46.73 |
| Total financial assets | - | - | 4636.96 | 4636.96 | - | 4636.96 | - | 4636.96 |
| Financial liabilities | | | | | | | | |
| Long-term borrowings (including current maturities of long-term borrowings) | - | - | 202.04 | 202.04 | - | 202.04 | - | 202.04 |
| Short-term borrowings | - | - | 1939.47 | 1939.47 | - | 1939.47 | - | 1939.47 |
| Trade Payables | - | - | 1810.92 | 1810.92 | - | 1810.92 | - | 1810.92 |
| Other financial liabilities | | | | | | | | |
| - Non-Current | - | - | 0.00 | 0.00 | - | 0.00 | - | 0.00 |
| - Current | - | - | 213.12 | 213.12 | - | 213.12 | - | 213.12 |
| Total financial liabilities | - | - | 4165.54 | 4165.54 | - | 4165.54 | - | 4165.54 |

(₹ in Lacs)

| As at March 31, 2024 | Carrying amount | | | | Fair value | | | |
|--------------------------|-----------------|--------|----------------|---------|--|---|---|---------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 - Quoted price in active markets | Level 2 - Significant observable inputs | Level 3 - Significant unobservable inputs | Total |
| Financial assets | | | | | | | | |
| Investments- Non-Current | - | - | 0.23 | 0.23 | - | 0.23 | - | 0.23 |
| Trade Receivables | - | - | 4218.39 | 4218.39 | - | 4218.39 | - | 4218.39 |

| | | | | | | | | |
|---|---|---|----------------|----------------|---|----------------|---|----------------|
| Loans- Current | - | - | 18.35 | 18.35 | - | 18.35 | - | 18.35 |
| Cash and Cash Equivalents | - | - | 388.69 | 388.69 | - | 388.69 | - | 388.69 |
| Other Bank Balances | - | - | 455.45 | 455.45 | - | 455.45 | - | 455.45 |
| Other financial assets | | | | | | | | |
| - Non-current | - | - | 93.63 | 93.63 | - | 93.63 | - | 93.63 |
| - Current | - | - | 93.85 | 93.85 | - | 93.85 | - | 93.85 |
| Total financial assets | - | - | 5268.59 | 5268.59 | - | 5268.59 | - | 5268.59 |
| Financial liabilities | | | | | | | | |
| Long-term borrowings (including current maturities of long-term borrowings) | - | - | 173.16 | 173.16 | - | 173.16 | - | 173.16 |
| Short-term borrowings | - | - | 1347.24 | 1347.24 | - | 1347.24 | - | 1347.24 |
| Trade Payables | - | - | 1613.21 | 1613.21 | - | 1613.21 | - | 1613.21 |
| Other financial liabilities | | | | | | | | |
| - Non-Current | - | - | 0.00 | 0.00 | - | 0.00 | - | 0.00 |
| - Current | - | - | 187.02 | 187.02 | - | 187.02 | - | 187.02 |
| Total financial liabilities | - | - | 3320.63 | 3320.63 | - | 3320.63 | - | 3320.63 |

Fair value hierarchy

Level I - Quoted prices in active markets for identical assets or liabilities such as quoted price for an equity security on Security Exchanges.

Level II - 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).

Level III - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

B. Financial risk management

The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Credit risk on cash and cash equivalents is limited as the Company makes investment in deposits with banks only.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 3892.59 Lacs as at March 31, 2025 and Rs. 4236.74 Lacs as at March 31, 2024, being the total of the carrying amount of trade receivables and loans & advances to employees.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at **March 31, 2025**, that defaults in payment obligations will occur.

In addition, exposure to credit risk is also in relation to financial guarantee contracts for which the company has created a liability for potential exposures.

The ageing of trade receivables as of Balance Sheet date is given below. The age analysis has been considered from the due date.

| Particulars | As at 31.03.2025 | As at 31.03.2024 |
|-------------------------------|------------------|------------------|
| Not past due but impaired | - | - |
| Neither past due not impaired | 2,838.23 | 2,996.03 |
| Past due not impaired | | |
| 1-180 days | 440.51 | 613.63 |
| 181-365 days | 373.19 | 231.90 |
| more than 365 days | 3.68 | 52.63 |
| Past due impaired | | |

| | | |
|---|-----------------|-----------------|
| 1-180 days | - | - |
| 181-365 days | - | - |
| more than 365 days | 378.48 | 425.82 |
| Less : Impairment on account of expected credit loss assessment | 148.26 | 101.63 |
| Total | 3,885.83 | 4,218.38 |

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

(ii) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. 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 asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and other bank balances. The Company has signed Rupee Loan Facility Agreement for variable rate borrowing facility amounting to Rs.2400.00 Lacs to meet the cash flow commitments. Also during the reporting period Company have sanctioned Term Loan to the tune of Rs. 850.00 Lacs for ongoing updation project and Rs. 260.00 Lacs for upcoming captive solar plant. However during the reported period company have not get disbursement against any term loan.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(₹ in Lacs)

| As at March 31, 2025 | Contractual cash flows | | | |
|---|------------------------|----------------|---------------------|---------------------|
| | Carrying amount | Total | Less than 12 months | More than 12 Months |
| Non-derivative financial liabilities | | | | |
| Non-Current Borrowings | 118.79 | 118.79 | - | 118.79 |
| Other Non-Current Financial Liabilities | - | - | - | - |
| Current Borrowings | 2,022.71 | 2,022.71 | 2,022.71 | - |
| Current Trade Payables | 1,810.92 | 1,810.92 | 1,810.92 | - |
| Other Current Financial Liabilities | 213.12 | 187.02 | 213.12 | - |
| Total | 4165.54 | 4165.54 | 4046.75 | 118.79 |

(₹ in Lacs)

| As at March 31, 2024 | Contractual cash flows | | | |
|---|------------------------|----------------|---------------------|---------------------|
| | Carrying amount | Total | Less than 12 months | More than 12 Months |
| Non-derivative financial liabilities | | | | |
| Non-current Borrowings | 105.90 | 105.90 | - | 105.90 |
| Other Non-Current Financial Liabilities | - | - | - | - |
| Current Borrowings | 1414.50 | 1414.50 | 1414.50 | - |
| Current Trade Payables | 1613.21 | 1613.21 | 1613.21 | - |
| Other Current Financial Liabilities | 187.02 | 187.02 | 187.02 | - |
| Total | 3320.63 | 3320.63 | 3214.73 | 105.90 |

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Interest rate risk includes risk that the future cash flows of floating interest bearing borrowings fluctuate because of fluctuation in the interest rates. The cash flows of the Company is sensitive to higher/lower interest expense from borrowing as a result of change in interest rates. A reasonable possible change of 50 basis points (bp) in interest rates at the reporting date would have impact by the amount shown in sensitivity analysis as below:

| Particulars | 50 bp Increase | 50 bp decrease |
|--------------------------------|----------------|----------------|
| March 31, 2025 | | |
| Non-current - Borrowings | (16.46) | 16.46 |
| Current - Long term borrowings | - | - |
| Total | (16.46) | 16.46 |
| March 31, 2024 | | |
| Non-current - Borrowings | (23.93) | 23.93 |
| Current - Long term borrowings | - | - |
| Total | (23.93) | 23.93 |

The functional currency of the Company is Indian Rupees. The Company do not use derivative financial instruments for trading, speculative or other purposes.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, against the respective functional currencies of Somi Conveyor Beltings Limited.

The Company, as per its risk management policy, generally uses natural hedge towards set off of financial liabilities by available financial assets. For it, the company operates an account in foreign currency (US\$) and pool the respective realization amount and the same has been utilized towards financial liabilities as on date in order to reduce the exchange loss. Furthermore, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its international operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10%.

The following analysis is based on the gross exposure as of the relevant balance sheet dates, which could affect the Statement of Profit and Loss. There is no exposure to the Statement of Profit and Loss on account of translation of financial statements of consolidated foreign entities.

The following table sets forth information relating to foreign currency exposure as at March 31, 2025:

(₹ in Lacs)

| PARTICULARS | AMOUNT |
|-----------------------|---------------|
| Financial assets | 93.45 |
| Financial liabilities | 12.61 |

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit/(loss) before tax by approximately Rs. 9.35 Lacs and Rs. 1.26 Lacs for financial assets and financial liabilities respectively for the year ended March 31, 2025.

The following table sets forth information relating to foreign currency exposure as at March 31, 2024:

(₹ in Lacs)

| PARTICULARS | AMOUNT |
|-----------------------|---------------|
| Financial assets | 91.04 |
| Financial liabilities | - |

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit/(loss) before tax by approximately Rs. 9.10 Lacs for financial assets for the year ended March 31, 2024.

(b) Interest rate risk

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.

As at March 31, 2025 and 2024 financial liability of Rs. 2141.51 and Rs. 1520.40 Lacs respectively, was subject to variable interest rates.

Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase in case of profit/(loss) before tax of Rs. 21.42 Lacs and Rs. 15.20 Lacs on income for the year ended March 31, 2025 and 2024 respectively.

NOTE 28. RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i)

| S No. | Name of Related Party | Nature of Relationship |
|--------------|------------------------------|---|
| 1 | O.P.Bhansali | Key Managerial Personnel (KMP) |
| 2 | Vimal Bhansali | |
| 3 | Gaurav Bhansali | |
| 4 | Manish Bohra | |
| 5 | Amit Baxi | |
| 6 | Om Kumari Bhansali | |
| 7 | Priya Bhansali | Relative of Key Managerial Personnel (RKMP) |
| 8 | Ruchi Bhansali | |
| 9 | Madhu Mehta | |

| | |
|----|--------------------------|
| 10 | Anita Bohra |
| 11 | Dhananjay Bhansali |
| 12 | Priyansh Bhansali |
| 13 | Oliver Micon Inc |
| 14 | Oliver Rubber Ind. LLP. |
| 15 | Earth Movers Enterprises |
| 16 | Om Prakash Bhansali HUF |
| 17 | Vimal Bhansali HUF |
| 18 | Gaurav Bhansali HUF |

Related Parties where KMP/RKMP exercise significant influence

(ii) Transactions during the year with related parties :

The following table summarizes related party transactions and balances for the year ended/as at March 31, 2025

| S.No. | Nature of Transactions | Key Managerial Personnel | Relative of Key Managerial Personnel | (₹ in Lacs) |
|-------------------------------------|------------------------------|--------------------------|--------------------------------------|---|
| | | | | Entities in which KMP/RKMP have significant influence |
| 1 | Sale of Goods | - | - | 203.01 |
| 2 | Purchase | - | - | 1.37 |
| 3 | Remuneration | 117.29 | 10.55 | - |
| 4 | Loan Received | - | - | - |
| 5 | Loan Received has repaid | 2.19 | - | - |
| 6 | Loan Given has received back | 9.00 | - | - |
| 7 | Interest Paid | 0.04 | - | - |
| 8 | Rent | 1.10 | - | - |
| Balance as at March 31, 2025 | | | | |
| | Trade Receivable | - | - | 172.91 |
| | Rent | 3.30 | - | - |
| | Managerial Remuneration | 4.16 | - | - |
| | Loans Taken | - | - | - |
| | Loans Given | 3.50 | - | - |

The following table summarizes related party transactions and balances for the year ended/as at March 31, 2024

| S.No | Nature of Transactions | Key Managerial Personnel | Relative of Key Managerial Personnel | (₹ in Lacs) |
|------|------------------------|--------------------------|--------------------------------------|---|
| | | | | Entities in which KMP/RKMP have significant influence |
| 1 | Sale of Goods | - | - | 153.52 |

| | | | | |
|----------|--------------------------|--------|------|------|
| 2 | Purchase | - | - | 4.83 |
| 3 | Remuneration | 113.11 | 9.15 | - |
| 4 | Loan received has Repaid | - | - | - |
| 5 | Loan Paid | 124.36 | - | - |
| 6 | Loan Given | 18.30 | - | - |
| 7 | Interest Paid | 2.14 | - | - |
| 8 | Rent | 1.10 | - | - |

Balance as at March 31, 2024

| | | | |
|-------------------------|-------|---|-------|
| Trade Receivable | - | - | 99.42 |
| Rent | 2.20 | | |
| Managerial Remuneration | 5.45 | - | - |
| Loans Taken | 2.19 | - | - |
| Loans Given | 12.50 | - | - |

NOTE 29. The Company has identified Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006.

| S.NO. | PARTICULARS | AS ON | |
|----------|--|------------|------------|
| | | 31.03.2025 | 31.03.2024 |
| 1 | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 316.99 | 309.40 |
| 2 | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | NIL | NIL |
| 3 | Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| 4 | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| 5 | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| 6 | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | 6.08 | NIL |
| 7 | Further interest remaining due and payable for earlier years | NIL | NIL |

NOTE 30. SEGMENT INFORMATION

The Company is mainly engaged in manufacturing activities in India. All the activities of the Company resolved around this main business. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the results of the business as a once, hence no separate segment needs to be disclosed.

NOTE 31. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The following summarizes the capital of the Company:

(₹ in Lacs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Equity* | 7,653.81 | 7,105.01 |
| Short term borrowings and current maturities of long-term borrowings | 2,022.71 | 1,414.50 |
| Long term borrowings | 118.79 | 105.90 |
| Total borrowings | 2,141.51 | 1,520.40 |
| Total capital (Debt+Equity) | 9795.32 | 8,625.41 |

32. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the Company faces claims and assertions by various parties. The company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

LITIGATIONS

The company is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the company does not believe to be of material nature, other than those described below.

A. Income Tax

(i) Appeal filed by company to CIT (A) for AY 2015-16 has been decided by honorable authority vide order dated 21.03.2025 and allow in favor of company. Amount of Rs. 19.50 Lacs pre-deposited by company as 20% of demand raised u/s 143(3) as per CBDT Circular to file the appeal become refundable as per the order dated 02.04.2025 to giving effect to the order u/s 250 and refund of the same is awaited.

B. Custom Duty

(i) Company has applied for refund towards pre deposit of an amount of Rs. 2,78,879.00, which was being 7.5% of demand raised u/s 28(4) of Custom Act upon deciding of the respective cases by the appellent authority and remand back to adjudicated authority.

C. Others

(i) M/s Nawa Engineers & Consultants Pvt Ltd is client of Somi Conveyor Beltings Ltd. who had issued cheque in favour of Somi Conveyor Beltings Limited on 16.10.2014 of Rs 200000.00 which was dishonoured and Company has sued under section 138 of Negotiable Instruments Act in the Court of the Hon'ble XVII ADDL Chief Metropolitan Magistrate at Hyderabad.

CONTINGENT LIABILITIES

(₹ in Lacs)

| PARTICULARS | As at March 31, 2025 | As at March 31, 2024 |
|--------------|-------------------------|-------------------------|
| Income Tax* | 25.86 | 97.42 |
| TOTAL | 25.86 | 97.42 |

* Demand of Rs. 5.82 Lacs pertaining to AY 2018-19 and Rs. 20.04 Lacs pertaining to AY 2019-20 raised by Income tax Department through CPC showing pending as on 31.03.2025 in regard to inconsistency reported in IT return and Form Annexure 3CD towards which company has filed rectification at AO and CPC respectively to rectify the demand of which order is awaited.

Previous year demand liability reported of Rs. 97.42 lacs pertaining to AY 2015-16, which was pending at

CIT(A) has been disposed off by honorable appellate authority in favor of company hence same is not payable and accordingly reduced from current year contingent liabilities.

Note 33. As at the balance sheet date, the Company has reviewed the carrying amount of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

Note 34. Other Notes:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have granted any loan or advance in the nature of loan to promoters, KMP, Directors and related parties where it is repayable on demand or without specifying any terms of repayment.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) 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).
- (v) 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.
- (vi) The company has not any 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).
- (vii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code become's effective.
- (viii) The Company does not undertake any transactions with respect to crypto currency / assets.
- (ix) The Provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014 were applicable to the Company.

Note 35. Sundry Debtors, Creditors, Loans and Advances balances as shown in the balance sheet are subject to confirmation from the parties concerned and consequential adjustments, if any.

Note 36. Previous year figures have been re-grouped, re-arranged and re-casted wherever it is considered necessary to make them comparable with those of current year.

Note 37**Financial Ratios**

| Ratio | Numerator | Denominator | 2024-25 | 2023-24 | % Variance | Reason for variance |
|---|--|--|---------|---------|------------|--|
| Current Ratio (in times) | Current Assets | Current Liabilities | 2.04 | 2.12 | -4% | - |
| Debt-Equity Ratio (in times) | Current & Non-Current Borrowing | Shareholder's Equity | 0.28 | 0.21 | 33% | Due to new loan taken during current FY, Debt-Equity Ratio has been increased |
| Debt Service Coverage Ratio (in times) | Net Profit after Taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes | Interest + Principal Repayments | 3.95 | 2.34 | 69% | Due to higher profitability and shortfall in repayment, Debt Service Coverage Ratio has been increased |
| Return on Equity Ratio (in %) | Net Profits after taxes | Average Shareholder's Equity | 7.43% | 6.62% | 12% | - |
| Inventory Turnover Ratio (in times) | Cost of Traded Goods + Changes in Inventories + Production Expenditure | Average Inventory | 2.53 | 2.95 | -14% | - |
| Trade Receivables Turnover Ratio (in times) | Revenue from Operations | Average Accounts Receivables | 2.50 | 2.75 | -9% | - |
| Trade Payables Turnover Ratio (in times) | Cost of Traded Goods + Production Expenditure | Average Trade Payables | 4.84 | 5.67 | -15% | - |
| Net Capital Turnover Ratio (in times) | Revenue from Operations | Working Capital | 2.24 | 2.41 | -7% | - |
| Net Profit Ratio (in %) | Profit After Tax | Total Revenue from Operations | 5.42% | 4.46% | 22% | - |
| Return on Capital Employed (in %) | Net Profit after Taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes | Tangible Net Worth + Total Debt + Deferred Tax Liability | 10.64% | 10.15% | 5% | - |