

Date: 28 June, 2023

To
Department of Corporate Services,
BSE Limited
2.5th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

BSE CODE: 532435

SUBJECT: ANNUAL REPORT FOR FY 2022-23. NOTICE OF 23rd ANNUAL GENERAL MEETING ("AGM")

As required under Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we submit herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 23rd Annual General Meeting scheduled to be held on Thursday, 20th July at 02.00 p.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in accordance with the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") .

In compliance with above mentioned circulars, the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 23rd Annual General Meeting has been sent in electronic mode to Members whose email IDs are registered with the Company or the Depository Participant(s).

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, the Company is providing the facility to Members to exercise their right to vote by electronic means on Resolutions proposed to be passed at AGM. The Company has engaged CDSL for providing facility for voting through remote e-Voting, for participation in the AGM through VC/OAVM and e-Voting during the AGM. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 14th July, 2023 to Thursday, 20th July, 2023 (both days inclusive).

Key information:

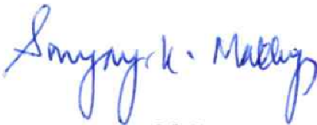
| | |
|---|---|
| Cut-off Date | Thursday, 13 th July, 2023 |
| Day, Date and time of commencement of remote e-Voting | Monday, 17 th July, 2023 at 9:00 am. (IST) |
| Day, Date and time of end of remote e-Voting | Wednesday, 19 th July, 2023 at 5:00 p.m. (IST) |
| Annual General Meeting | Thursday, 20 th July, 2023 |

The copy of the Notice of AGM and Annual Report is also available on the Website of the Company at www.sanmitinfra ltd.com and on the website of the Stock Exchange i.e., BSE limited at www.bseindia.com and on the CDSL website at www.evotingindia.com

Kindly acknowledge and take on record the same.

Thanking you,

For Sanmit Infra Limited,



Sanjay Makhija
Managing Director
(DIN: 00586770)



SANMIT INFRA LIMITED

CIN :L70109MH2000PLC288648

Registered Office:

601,MAKHIJA ROYALE, 6TH FLOOR, S.V. ROAD, Khar (W) Mumbai 400052 IN

**23RD ANNUAL REPORT
2022-2023**

CORPORATE INFORMATION BOARD OF DIRECTORS

| | |
|--|---|
| Mr. Sanjay K. Makhija | Managing Director |
| Mr. Dinesh K. Makhija | Whole-time Director & Chief Financial Officer |
| Mr. Kamal K. Makhija | Whole-time Director |
| Mr. Haresh K. Makhija | Whole-time Director |
| Mr. Sanjay Vishindas Nasta | Non-Executive, Independent Director |
| Mr. Mohan Rathod | Non-Executive, Independent Director |
| Mr. Ajay Nanik Chandwani | Non-Executive, Independent Director |
| Mrs. Priyanka Hirendra Moorjani | Additional Director (Non-Executive, Independent Director) |
| Mrs. Shazia Fatima Mohammed Karimuddin Shaikh | Company Secretary & Compliance Officer |

BANKERS INDUSIND BANK

AUDITORS M/S. PAMS & ASSOCIATES CHARTERED ACCOUNTANTS

REGISTERED OFFICE:
601, MAKHIJA ROYALE, 6TH FLOOR S.V. ROAD, KHAR (W), MUMBAI-400052.

Email : sanmitinfra@gmail.com Website : www.sanmitinfrald.com

LISTING BSE LIMITED

REGISTRAR & SHARE TRANSFER AGENT
PURVA SHAREGISTRY (I) PVT LTD,
9, SHIV SHAKTI INDUSTRIAL ESTATE, J.R BORICHA MARG, NEAR LODHA EXCELUS,
LOWER PAREL (W), MUMBAI - 400 011.

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NOTICE

NOTICE is hereby given that the **23RD Annual General Meeting** of the members of **SANMIT INFRA LIMITED** will be held on Thursday, July 20, 2023 at 02:00 pm IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) to transact the following business(es):

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon;

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

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To consider Re-appointment of Statutory Auditors of the Company for a second term of five years;

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee, M/S. PAMS & ASSOCIATES Chartered Accountants (ICAI Firm Registration : 316079E) be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of this 23RD Annual General Meeting (for the financial year starting from 2023- 2024) till the conclusion of 28TH Annual General Meeting(for the Financial year 2027-28) be held in the year 2028 on such remuneration plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution.”

3. To Declare Final Dividend ;

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

SANMIT INFRA LIMITED

“RESOLVED THAT pursuant to the recommendation of the Board of Directors, Final Dividend @ 0.035 paisa per share of Face Value of Rs.1 Per Equity Share each of the Company be and is hereby declared out of the profits of the Company to be paid to the members of the Company for the FY 2022-2023.”

4. To consider Re-appointment of Director who retires by rotation;

To re-appoint Haresh Kanayalal Makhija (DIN : 00586720) as Director, who retires by rotation and, being eligible, offers himself for re-appointment and in this regard consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, if any (including any statutory modifications or re-enactment thereof) and the Articles of Association of the Company, Haresh Kanayalal Makhija (DIN : 00586720) who retires by rotation and being eligible, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS :

5. To consider Regularisation/Appointment of Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) as a Director (Non-Executive - Independent) of the Company;

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

“RESOLVED THAT in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Priyanka Hirendra Moorjani (DIN : 10093028) who was appointed as an additional director dated 21-04-2023 in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 , 152 and any other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act and applicable Regulation(s) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) , who was appointed as an Additional (Independent & Non-Executive) Director of the Company with effect from 21-04-2023, by the Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and who in terms of Section 161 of the Act and Articles of Association of the Company and who has submitted the declaration that she meets the criteria for Independence as provided under the Act and the Listing Regulations and who holds office upto the date of ensuing Annual General Meeting, be and is hereby appointed as a Non-Executive, Independent Director of the Company to hold office for a term of upto 5 (five) consecutive years with effect from 21-04-2023 to 20-04-2028 not liable to retire by

SANMIT INFRA LIMITED

rotation.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and approve Related Party Transactions;

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

“**RESOLVED THAT** pursuant to the provisions of Section 177,185,188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 6A & 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with 1. Sanjay Builders & Developers, & 2. Hareesh Agencies , ; related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase and sale of Materials, machineries & cremation machines on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value Rs.10 Crore for the financial year 2023-24, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

7. ALTERATION IN MAIN OBJECT CLAUSE IN MEMORANDUM OF ASSOCIATION:

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

“**RESOLVED THAT** pursuant to provisions of Sections 13 (9) and other applicable provisions of the Companies Act, 2013 (“the Act”), read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules 2014 and other relevant rules (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the members of the Company be and is hereby accorded to alter the object clause in the Memorandum of Association of the Company by deleting the clause III (A) 5 and adding new object clause i.e. No. 5, the Object Clause of the Memorandum of Association of the Company be and is hereby amended in the manner set out hereunder.

The existing Object Clause III(A) of the Memorandum of Association of the Company be and is hereby altered by way of insertion of the following new clause III after the existing Clause No. III (A) (4) and number as:

(GMS) system will be an UPGRADED TECHNOLOGY of traditional open air wood fire system taking care as per Hindu Tradition. The Traditional Wood Pyre Cremation system is having huge

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environmental impact due to wood smoke which emits carbon dioxide, particulate matter (PM) and volatile organic compounds (VOC) is a cause for major air pollution in the environment. This (GMS) system replace Traditional wood with “BAMBOO PELLETS “having high calorific value, high density, generates less ash upon burning and therefore our pollution level is minimal or negligible. Hence use of pellets is renewable, sustainable, cost effective, comfortable and ecofriendly. Hence this (GMS) system will phase out the use of the wood burning, saving the cutting of Trees, saving the forest , reducing Carbon credit and thereby creating positive Environment impact by reducing Air pollution which is beneficial to Human and Society.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

**By Order of Board of Directors
For Sanmit Infra Limited**

Sanjay Makhija
Place : Mumbai
Date : 13/06/2023

Sd/-
(Managing Director)
DIN: 00586770

REGISTERED OFFICE:

601, MAKHIJA ROYALE, 6TH FLOOR
S.V. ROAD, KHAR (W),
Mumbai-400052.
CIN : L70109MH2000PLC288648

Email : sanmitinfra@gmail.com
Website : www.sanmitinfraltd.com

NOTES :

1. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') with respect to Item Nos. 5 to 7 forms part of this Notice.
2. The Ministry of Corporate Affairs, Government of India ("MCA") has issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conducting of AGMs through Video Conferencing / Other Audio-Visual Means ("VC / OAVM") facility on or before September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020; Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022; and Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 ("SEBI Circulars") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and Listing Regulations, the 23RD AGM of the Company is being held through VC / OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the 23RD AGM shall be the Registered Office of the Company.
3. Since the 23RD AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of AGM
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this notice. The instructions for e-voting are provided in this notice. The Remote E-voting

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commences on Monday, 17th July, 2023 at 9:00 a.m. (IST) and end on Wednesday, 19th July, 2023 at 5:00 p.m. IST. The voting rights of the Shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e., Tuesday, 13th July, 2023.

6. Any person who is not a member post cut-off date should treat this notice for information purposes only.
7. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
8. Any person, who acquires shares and becomes a Member of the Company after sending the notice and holding shares as of the cut-off date, i.e., Tuesday, 13th July, 2023, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or to the Registrar and Share Transfer Agent (RTA) support@purvashare.com . However, if he/she is already registered with Central Depository Services (India) Limited (CDSL) for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
9. CS Ramesh Chandra Mishra, Practising Company Secretary (Membership No. FCS 5477 CP No. 3987) from M/s Ramesh Mishra & Associates, vide Board Resolution dated 13-06-2023 has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
10. The Scrutinizer shall within a period not exceeding 2 (Two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (Two) witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing.
11. The Results shall be declared after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website viz. www.sanmitinfraltd.com and on the website of CDSL within 2 (Two) working days of passing of the resolutions at the AGM of the Company and the same will also be communicated to the Stock Exchanges.
12. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with RTA in case the shares are held by them in

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physical form.

13. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.sanmitinfraltd.com , websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL at helpdesk.evoting@cdslindia.com. The Company will also be publishing an advertisement in newspaper containing the details about the AGM i.e. the conduct of AGM through VC/ OAVM, date and time of AGM, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses with the Company/ RTA and other matters as may be required.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021, the Annual Report 2022-23, the Notice of the AGM and the Instructions for e-Voting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants. Members may also note that the Annual Report 2022-23 and the Notice convening the AGM are also available on the Company's website www.sanmitinfraltd.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility) helpdesk.evoting@cdslindia.com .
15. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

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18. Pursuant to Section 91 of the Act The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 14TH July, 2023 to Thursday, 20TH July, 2023 (both days inclusive) for the purpose of AGM.
19. The Registers maintained under Section 170 & 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection till the conclusion of AGM by the members based on the request being sent on sanmitinfra@gmail.com .
20. Member(s) must quote their Folio Number/ DP ID & Client ID and contact details such as email address, contact no. etc. in all correspondences with the Company/ RTA.
21. As per Regulation 40 of LODR Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the RTA for assistance in this regard.
22. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
23. Pursuant to the provisions of Section 72 of the Act the Member(s) holding shares in physical form may nominate, in the prescribed manner, any person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. A nomination form for this purpose is available with the Company or its RTA. Member(s) holding shares in demat form may contact their respective DPs for availing this facility.
24. Member(s) holding shares in physical form is/ are requested to notify immediately any change of their respective addresses and bank account details. Please note that request for change of address, if found incomplete in any respect shall be rejected. Members holding shares in demat form are requested to notify any change in their addresses, e-mails and/or bank account mandates to their respective DPs only and not to the Company/ RTA for effecting such changes. The Company uses addresses, e-mails and bank account mandates furnished by the Depositories for updating its records of the Shareholders holding shares in electronic/demat form.
25. All the members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday, June 23, 2023, have been considered for the purpose of sending the Notice of AGM and the Annual Report.

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26. **DIVIDEND:** Subject to provision of Section 123 of the Act, the final dividend, as recommended by the Board of Directors, if declared and approved at the 23rd AGM, would be paid subject to deduction of tax at source, as may be applicable will be made within the statutory time line as under:

- a) To those Members whose names appear on the Register of Members of the Company on Thursday, 13TH July, 2023 .
- b) In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on closing hours of business on Thursday, 13TH July, 2023 as per the list of beneficiaries furnished by NSDL and Central Depository Services (India) Ltd. (CDSL), the Depositories, for this purpose.
- c) The dividend, as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, after 20TH July, 2023 , to those persons or their mandates:
 - whose names appear as Beneficial Owners as per the data made available by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form at the close of business hours on Thursday, 13TH July, 2023 ; and
 - whose names appear as Members in respect of shares held in Physical Form as per the Register of Members of the Company on the close of business hours Thursday, 13TH July, 2023 ;

ELECTRONIC CREDIT OF DIVIDEND:

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form are requested to submit duly filled in form ISR-1 inter-alia providing particulars of their bank account along-with the original cancelled cheque in the manner as provided in Note No. 28 herein below to Purva Shareregistry (India) Pvt. Ltd to update their KYC details.

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Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant. The Company or Purva Sharegistry (India) Pvt. Ltd cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants by the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

Members are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts. In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by permitted mode.

27. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc. to the RTA at the following address:

Purva Sharegistry (India) Pvt. Ltd

Unit no. 9, Shiv Shakti Industrial Estate.,

J.R. Boricha marg, Lower Parel (E),

Mumbai 400 011

If the shares are held in electronic form, then change of address and change in the Bank Accounts etc., should be furnished to their respective Depository Participants.

28. ISSUANCE OF SECURITIES IN DEMATERIALIZED FORM IN CASE OF INVESTOR SERVICE REQUESTS:

We would further like to draw your attention to SEBI Notification dated January 24, 2022 and SEBI Circular SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/ CIR/2022/8 dated January 25, 2022. Accordingly, while processing service requests in relation to; 1) Issue of duplicate securities certificate; 2) Claim from Unclaimed Suspense Account; 3) Renewal / Exchange of securities certificate; 4) Endorsement; 5) Sub-division / Splitting of securities certificate; 6) Consolidation of securities certificates/folios; 7) Transmission and 8) Transposition, the Company shall issue securities only in dematerialised form. For processing any of the aforesaid service requests the securities holder/claimant shall submit duly filled up Form ISR-4.

28.1. Pursuant to SEBI Circular no .SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16,2023, issued in suppression of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/

SANMIT INFRA LIMITED

MIRSDRTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

29. We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrars & Transfer Agents i.e., Purva Sharegistry (India) Pvt. Ltd:

| Sr. No. | PARTICULARS | FORM |
|---------|--|-------|
| 1 | PAN | ISR-1 |
| 2 | Address with PIN Code | |
| 3 | Email address | |
| 4 | Mobile Number | |
| 5 | Bank account details (Bank name and Branch, Bank account number, IFS Code) | |
| 6 | Demat Account Number | |
| 7 | Specimen Signature | ISR-2 |
| 8 | Nomination details | SH-13 |
| 9 | Declaration to opt out nomination | ISR-3 |
| 10 | Cancellation or Variation of Nomination | SH-14 |

All the aforesaid forms can be downloaded from the website of the Company at : www.sanmitinfra.com and from the website of the RTA at [https:// www.purvashare.com](https://www.purvashare.com).

30. MODE OF SUBMISSION OF FORM(S) AND DOCUMENTS:

You may use any ONE of the following modes for submission:

- In Person Verification (IPV): by producing the originals to the authorised person of the RTA, who will retain copies of the document(s).
- In hard copy: by furnishing original/photocopies of the relevant documents duly self-attested with date to below address:

SANMIT INFRA LIMITED

601,MAKHIJA ROYALE, 6TH FLOOR,

S.V. ROAD, Khar (W) Mumbai City MH 400052

- With e-sign:

SANMIT INFRA LIMITED

a. In case your email is already registered with us, you may send the scanned copies of your KYC documents with e-sign at our dedicated email-id support@purvashare.com Kindly mention the email subject line as “KYC Up dation – (Company Name) – Folio No.:_____”

b. Investors can also upload KYC documents with e-sign on our website: <https://www.purvashare.com>.

Mandatory Self-attestation of the documents Please note that, each page of the documents that are submitted in hard copy must be self-attested by the holder (s). In case the documents are submitted in electronic mode then the same should be furnished with e-sign (Digital Signature Certificate) of scan copies of the documents.

31. All communications/ queries in this respect should be addressed to our RTA, Purva Sharegistry (India) Pvt. Ltd. to its email address support@purvashare.com .

32. The Company is obliged to print such bank’s details on the dividend warrants/ demand drafts as furnished by the DPs and the Company cannot entertain any request for deletion/ change of bank details already printed on the dividend warrant(s) / demand draft(s) based on the information received from the concerned DPs, without confirmation from them. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change desired if not already provided.

33. Member(s) must quote their Folio Number/ DP ID & Client ID and contact details such as email address, contact no. etc. in all correspondences with the Company/ RTA.

34. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in . The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

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Members are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) through e-voting.

The way to vote electronically on CDSL e-Voting system consists of “Two Steps” which are mentioned below: ANNUAL REPORT 2022-23

In terms of SEBI circular dated December 09, 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.

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per listing agreement (including any statutory modification or re- enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by CDSL.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively, (“MCA Circulars”) allowing, inter-alia, conducting of AGMs through Video Conferencing / Other Audio-Visual Means (“VC / OAVM”) facility on or before September 30, 2023. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be

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provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at : www.sanmitinfrald.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and www.evotingindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively .
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the

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General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The Remote E-voting period begins on Monday, 17TH July, 2023 at 9:00 a.m.(IST) and end on Wednesday, 19TH July, 2023 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 13TH July, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (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.

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

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

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

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

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

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

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.

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- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| | For Shareholders holding shares in Demat Form other than individual and Physical Form |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. <ul style="list-style-type: none">If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the **EVSN – 230621002** for the relevant “**SANMIT INFRA LIMITED**” on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to

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change your vote, click on “CANCEL” and accordingly modify your vote.

- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
 - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - 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 viz; sanmitinfra@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will

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be displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting i.e. Saturday, July 15, 2023 mentioning their name, demat account number/folio number, email id, mobile number at sanmitinfra@gmail.com .The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sanmitinfra@gmail.com . These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility

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of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP) .
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

For any other queries relating to the shares of the Company, you may contact the Registrar and Share Transfer Agent at the following address:

Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Ind. Estt.,
J .R. Boricha marg, Lower Parel (E),
Mumbai 400 011
Email : support@purvashare.com

**By Order of Board of Directors
For Sanmit Infra Limited**

**Sd/-
Sanjay Makhija
(Managing Director)
DIN: 00586770**

**Place : Mumbai
Date : 13/06/2023**

REGISTERED OFFICE:

SANMIT INFRA LIMITED

601, MAKHIJA ROYALE, 6TH FLOOR
S.V. ROAD, KHAR (W),
Mumbai-400052.
CIN : L70109MH2000PLC288648

Email : sanmitinfra@gmail.com

Website : www.sanmitinfra ltd.com

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE ACT AND REGULATION 36 OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND FOLLOWING STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO ITEM NOS. 5 TO 7 MENTIONED IN THE ACCOMPANYING NOTICE

ITEM NO.5 : Regularization/Appointment of Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) as an Independent (Non-Executive) Director of the Company

Mrs. Priyanka Hirendra Moorjani (DIN: 10093028) on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director in capacity of Non-Executive Independent Director of the Company with effect from 21-04-2023 by the Board of Directors in accordance with Sections 149(6),161 and Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provisions of the SEBI((Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director who has submitted the declaration that she meets the criteria for Independence as provided in Section 149(6) of the Act. Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) has consented to the proposed appointment and declared qualified. Mrs. Priyanka Hirendra Moorjani possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules & regulations made thereunder.

Based on the recommendation received from the Nomination and Remuneration Committee and in view of her knowledge, skills and invaluable expertise related to the industry of the company,it is proposed to appoint Mrs. Priyanka Hirendra Moorjani as in terms of Non-Executive Independent Director of the Company Sections 149 read with section 152 of the Companies Act, 2013. Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) is not liable to retire by rotation. Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) will hold the office for a consecutive term of 5 years with effect from 21-04-2023 to 20-04-2028.

A copy of the letter of appointment proposed to be issued to Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) as an Independent Director, setting out the terms and conditions thereof, is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

Details pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements)

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Regulations, 2015 (“Listing Regulations”) and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India are attached as **Annexure A**.

Except Mrs. Priyanka Hirendra Moorjani , none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends passing the resolution as set out at Item No. 5 of this Notice as a Special Resolution.

ITEM NO.6 : APPROVAL OF RELATED PARTY TRANSACTIONS

Sanjay Builders & Developers & Haresh Agencies are related parties.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Purchase and sale Material, machinery & cremation machines from Sanjay Builders & Developers and Haresh agencies. The value of proposed aggregate transactions with Haresh Agencies and Sanjay Builders & Developers is not exceeding the said threshold limit during the financial year 2023-24.

Accordingly, transaction(s) entered into with Haresh Agencies & Sanjay Builders & Developers comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with Haresh Agencies and Sanjay Builders & Developers in the financial year 2023-24.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with Sanjay Builders & Developers are as follows:

| Sr.No | Particulars | Remarks |
|-------|---|--|
| 1 | Name of the Related Party | Sanjay Builders & Developers and Haresh Agencies |
| 2 | Name of Director or KMP | Mr. Sanjay Makhija, Mr. Dinesh Makhija, Mr. Haresh Makhija and Mr. Kamal Makhija are partners in Sanjay Builders & Developers and Haresh Agencies. |
| 3 | Nature of Relationship | Promoters and some of the Directors of the company are Partners in Sanjay Builders & Developers and Haresh Agencies. |
| 4 | Nature, duration of the contract and particulars of the contract or | Contract for purchase and sale of raw material, machinery and cremation machines |

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| | | |
|----|--|---|
| | arrangement | shall be on a continuous basis. |
| 5 | the material terms of the contract or arrangement including the value, if any; | Monetary value of proposed aggregate transactions during financial year 2023-24 is expected to be Rs. 10 Crore. |
| 6 | Expected monetary value of proposed aggregate transaction(s) during financial year 2023-24 | 10 Crore |
| 7 | any advance paid or received for the contract or arrangement, if any | At arm's length basis and in the ordinary course of business of the Company |
| 8 | the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract; | NA. |
| 9 | whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; | Yes |
| 10 | Any other information relevant or important for the members to take a decision on the proposed resolution | The items are with related parties at a market price and justified from economies of scale point of view. |

None of the Directors other than Mr. Sanjay Makhija, Mr. Haresh Makhija and Director cum CFO Mr. Dinesh Makhija , Mr. Kamal Makhija (including their relatives) and Key Managerial Personnel and their relatives in any way concerned or interested financially or otherwise in the resolutions The Promoters are interested to the extent of their shareholdings.

The Board of Directors recommends passing of the resolution as set out at Item no. 6 of this Notice as an Ordinary Resolution.

ITEM NO.7

The resolution mentioned at Item No. 7 of the Notice relates to the Alteration of the Object Clause of the Memorandum of Association of the Company with respect to insertion of new object clause after clause No. 4 of the main object to the Memorandum of association of the company. The aforesaid proposed objects more particularly described in the proposed Clause III (A) (5) can be conveniently and advantageously be utilized and carried out by the Company. To enable the Company to capitalize such opportunities which may arise from such activities, as it is proposed to amend the Object Clause by inserting new modified new Clauses i.e. - Clause III (A) (5) of the Memorandum of Association of the Company In terms of the provisions of Section 13 (9) and Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules 2014, for alteration of object clause in Memorandum of Association of the company requires the approval of Members by way of Special Resolution. Since the company is providing e-voting facility as per section 108 of the companies Act, 2013 , there is no need to seek the approval by way of postal ballot. The Board therefore recommends the Resolution as set out at Item No. 7 for approval of the members as Special Resolution. None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution

ANNEXURE-A**DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING**

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

| SR.NO | NAME OF DIRECTOR | MR. HARESH KANAYALAL MAKHIJA | MRS. PRIYANKA HIRENDRA MOORJANI |
|--------------|--|--|--|
| 1 | DIN | 00586720 | 10093028 |
| 2 | Date of Birth | 28/04/1966 | 14/12/1974 |
| 3 | Age | 57 | 49 |
| 4 | Date of first appointment on the Board | 12/08/2016 | 21/04/2023 |
| 5 | Qualification | Graduate | Graduate of B.HSC degree from Pune SNTD College |
| 6 | Experience and Expertise | Mr Haresh Kanayalal Makhija is a Business Man and having experience of more than 20 years. Presently as per the disclosure he is not associated with any Listed Company as a Director. | Mrs. Priyanka Hirendra Moorjani is Self Employed and has done her Bachelor of HSC degree from Pune SNTD College, Maharashtra and has Specialization in Nutrition and Dietetics.. |
| 7 | No. of Meetings of the Board attended during the year | 9 of 9 | NIL |
| 8 | List of Directorship of other Boards | 1.Garrett Developers Private Limited 2.Makhija Developers Private Limited 3.Aashna Builders Private Limited | NIL |
| 9 | The Listed entity from which Director has resigned in last three years | NIL | NIL |
| 10 | List of Membership / Chairmanship of Committees of other Companies | NIL | NIL |
| 11 | Shareholding in Company | 2,83,43,280 Shares (17.94%) | NIL |
| 12 | Terms and Conditions of re-appointment | As per the Nomination & Remuneration Policy | NA |

SANMIT INFRA LIMITED

| | | of the Company | |
|----|--|--|------------|
| 13 | Skills & capabilities required for the role and the manner in which the proposed person meets such requirement | Leadership, Business Development, Sales & Marketing, Human Resource & Operations | Leadership |

Note: For other details such as number of meetings of the board attended during the year and remuneration drawn in respect of above Directors, please refer to the corporate governance report which is a part of this Annual Report

Place : Mumbai
Date : 13/06/2023

By Order of Board of Directors
For Sanmit Infra Limited

Sd/-
Sanjay Makhija
DIN: 00586770
(Managing Director)

REGISTERED OFFICE:

601, MAKHIJA ROYALE, 6TH FLOOR
S.V. ROAD, KHAR (W),
Mumbai-400052.
CIN : L70109MH2000PLC288648
Email : sanmitinfra@gmail.com
Website : www.sanmitinfraltd.com

DIRECTOR'S REPORT

**To
The Members,
SANMIT INFRA LIMITED**

Your Board of Directors takes pleasure in presenting this Twenty Third (23RD) Annual Report covering the highlights of the finances, business, and operations of your Company along with the Audited Financial Statements and Report of Auditors thereon for the Financial Year ended 31st March, 2023.

COMPANY'S FINANCIAL HIGHLIGHTS :

The highlights of the Company's financial results for the Financial Year 2022-23 are as under:

(Amount in Lakhs)

| Particulars | FY 2022-23 | FY 2021-22 |
|-------------------------------|-------------------|-------------------|
| Total Revenue from Operations | 14239.64 | 14719.39 |
| Other Income | 111.05 | 3.42 |
| Total Income | 14350.69 | 14722.82 |
| Total Expenditure | 13683.46 | 13932.29 |
| Profit/loss before tax | 667.24 | 790.53 |
| Total Tax Expenses | 150.45 | 149.98 |
| Net Profit | 516.79 | 640.55 |
| Earnings Per Share (in Rs) | | |
| Basic | 0.33 | 0.46 |
| Diluted | 0.33 | 0.46 |

OPERATIONS PERFORMANCE:

Your Company's Total Income during the year under review was Rs. 14350.69 Lakhs as compared to Rs. 14722.82 Lakhs in the previous year. Profit before Tax for the year 2022-23 was Rs. 667.24 Lakhs as against Rs. 790.53 Lakhs in the previous year. Profit after Tax for the year 2022-23 stood at Rs. 516.79 Lakhs as against Rs. 640.55 Lakhs in the previous year.

The Financial Statements for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act')

SANMIT INFRA LIMITED

and other relevant provisions of the Act. There are no material departures from the prescribed norms stipulated by the accounting standards in preparation of the annual accounts.

Management evaluates all recently issued or revised accounting standards on an on-going concern basis. The Company discloses Financial Results on a quarterly basis, which are subject to Limited Review and publishes Audited Financial Results on an annual basis.

TRANSFER TO RESERVES:

During the year under review, the Company has not transferred any amount to the 'General Reserve' and entire amount of profit for the year forms part of the 'Retained Earnings

DIVIDEND:

The Company has a good track record of rewarding its Shareholders with a generous dividend pay-out. In view of the strong operational and financial performance during the year under review, the Board of Directors is pleased to recommend a final dividend of Rs. 0.035/- per Equity Share of Rs. 1/- each for the Financial Year ended on March 31, 2023 subject to the approval of Members in the ensuing Annual General Meeting of the Company.

The Company continues with its task to build businesses with long-term goals based on its intrinsic strengths in terms of its powerful brands, quality manufacturing prowess, distribution strengths and customer relationships.

CHANGE OF REGISTERED OFFICE:

There is no shifting of registered office during the financial year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year. The company is mainly into the following businesses:

1. Bio-medical and other waste management
2. Infra and Real Estate Development
3. Trading in Petroleum Products
4. ECO FRIENDLY LESS WOOD /GREEN CREMATION SYSTEM (GSM) FOR VARIOUS CREMATORIUM IN INDIA.

Corporate Actions:

Sub-division of Ordinary Shares of the Company:

On 28TH July,2022, the Board of Directors of the Company, considered and approved the

SANMIT INFRA LIMITED

proposal for sub-division of one (1) equity share of face value of Rs. 10/- each into Ten (10) equity shares of face value of Rs. 1/- each ('sub-division') and consequential amendments in the Capital Clause of the Memorandum of Association of the Company and Articles of Association of the Company, subject to the approval of the Shareholders of the Company and other necessary approvals. The said proposal was approved by the Shareholders of the Company at the Annual General Meeting held on September 29, 2022. The Record Date for the sub-division was set as October 31, 2022 and consequently, the face value of the equity shares of the Company (fully paid-up and partly paid-up) was sub-divided to ₹1/- each from ₹10/- each.

ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL :

During the year under review, the Company subject to the approval of the Shareholders of the Company at the Annual General Meeting held on September 29, 2022 has decided for Sub-division/Split of Shares of the company for one (1) equity share of face value of Rs. 10/- each into Ten (10) equity shares of face value of Rs. 1/- each i.e. 1,58,00,750 shares of Face value Rs. 10/share have been sub-divided/split into 15,80,07,500 equity shares of Rs. 1 each.

Number of shares of each class Pre-split and post-split:

| Share Capital | Pre-Split (No.of.Shares) | Post-Split (No.of.Shares) |
|----------------------|--|--|
| Authorized | 1,60,00,000 Equity Shares of Rs.10/- each amounting to Rs. 16,00,00,000. | 16,00,00,000 Equity Shares of Rs.1/- each amounting to Rs. 16,00,00,000. |
| Paid-Up | 1,58,00,750 Equity Shares of Rs.10/- each amounting to Rs. 15,80,07,500. | 15,80,07,500 Equity Shares of Rs.1/- each amounting to Rs. 15,80,07,500. |
| Subscribed | 1,58,00,750 Equity Shares of Rs.10/- each amounting to Rs. 15,80,07,500. | 15,80,07,500 Equity Shares of Rs.1/- each amounting to Rs. 15,80,07,500. |

There were no instances where the Company failed to implement any corporate action within the specified time limit.

CORPORATE SOCIAL RESPONSIBILITY :

Corporate Social Responsibility is applicable to your Company from Financial Year 2021-2022. The Company has duly adopted Corporate Social Responsibility Policy and the same has been displayed on the Website of the Company- www.sanmitinfra.com. The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Companies Act, 2013. The brief outline of the CSR policy of the Company and the initiatives undertaken by the

SANMIT INFRA LIMITED

Company on CSR activities during the year are set out in **Annexure- IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Your Company through trust has been doing work in the following sectors:

a) In Defence of Animals for the financial year 2021-22.

Other future projects:

1. Childcare and health care facilities
2. Education and skill development
3. Social welfare

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Human resources have always been of supreme importance at Sanmit Infra Limited as they are the growth-drivers and the mainstay of the organization. The prominence of the people of the organization stems from the belief that they are the authors of the Company's success story. Integral to the Company's approach, Human resource development is its distinctive strategy. The strategy ensures developing and nurturing a team of competent, passionate and inspiring leaders who would turn to be the scribes of a promising future's slate. Thus, building a future ready organisation through true to type learning, innovation and world-class execution. The Company believes that the alignment of all employees to a shared vision and purpose is crucial for succeeding in the marketplace. Further it recognises the mutuality of interest with key stakeholders and is committed to building harmonious employee relations.

Sanmit Infra Limited is confident that its employees will relentlessly strive to Annual Report 2022-23 meet the growth agenda, deliver world class performance and innovate newer things. Thus they will uphold human dignity, foster team spirit and discharge their role as 'trustees' of all stakeholders with true faith and allegiance.

The Company cares for its people, customers, suppliers, and community who are reflected in the Company's policy, programs and development efforts. As of March 31, 2023,

NOMINATION AND REMUNERATION POLICY :

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Executive & Non-Executive Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

The policy outlines the criteria for determining qualifications, positive attributes, relevant experience and Independence of Director and criteria for appointment of Key Managerial

SANMIT INFRA LIMITED

Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

The Policy also lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed through the web link at www.sanmitinfra.com.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

INTERNAL FINANCIAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT:

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value, and accordingly, Sanmit Infra Limited works to strengthen such structures. We believe that a strong internal control framework is an important pillar of Corporate Governance.

Your Company has put in place adequate internal financial controls commensurate with the size and complexity of its operations. The internal controls ensure the reliability of data and financial information to maintain accountability of assets.

The Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. Critical functions are rigorously reviewed and the reports are shared with the Management for timely corrective actions, if any. Business risks and mitigation plans are reviewed and the internal audit processes include evaluation of all critical and high-risk areas.

The internal and operational audit is entrusted to M/s. Manas Dash & Co. The main focus of internal audit is to review business risks, test and review controls, assess business processes besides benchmarking controls with best practices in the industry. Significant audit

SANMIT INFRA LIMITED

observations and follow-up actions thereon are reported to the Audit Committee. For ensuring independence of audits, internal auditors report directly to the Audit Committee.

M/s. Manas Dash & Co. has been appointed as internal auditor of the company for the financial year 2022-23 and 2023-24.

RELATED PARTY TRANSACTIONS :

All transactions entered with Related Parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

All related party transactions are mentioned in the notes to the accounts. All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified by the Audit Committee and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link www.skycorp.in. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration, ESOP and sitting fees.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming part of the Annual Report

DEPOSITS:

The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

PERFORMANCE OF SUBSIDIARY COMPANIES :

The Company has no subsidiaries, therefore not required to provide detail of performance of subsidiary Company. Hence, AOC -1 is not required to be attached to the said report.

CORPORATE GOVERNANCE :

Company is committed to maintain high standards of Corporate Governance to achieve

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business excellence and strengthen the confidence of all stakeholders. The Company constantly endeavours to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, vendors, suppliers, investors and the wider communities that we serve.

Your Company has complied with the mandatory Corporate Governance requirements stipulated under the Listing Regulations. A separate Report on Corporate Governance is annexed as **Annexure-III** hereto forming part of this report together with the requisite certificate from Ramesh Chandra Mishra & Associates, Practicing Company Secretary as stipulated under the Listing Regulations

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) Composition:

The Company's Board of Directors consists of distinguished individuals with proven competence and integrity. Besides strong financial acumen, strategic astuteness, experience and leadership qualities, they have a significant degree of dedication to the Company and invest adequate time to Meetings and preparation. In terms of requirement of Listing Regulations, 2015, the Board has defined fundamentals, skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning and how the current Board of Directors is fulfilling the required skills and competences. As of March 31, 2023, the Board Comprises of Eight (8) Directors, out of which four (4) are Executive Directors and four (4) are Non-Executive Independent Directors (including one Independent Woman Director).

As on the date of this Report, following are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act :

| SR.NO | NAME OF DIRECTOR | CATEGORY | DESIGNATION |
|--------------|----------------------------|---|---------------------------|
| 1 | Mr. Sanjay K. Makhja | Promoter, Executive, Managing Director | Managing Director |
| 2 | Mr. Kamal K. Makhija | Promoter, Executive Director | Whole-time Director |
| 3 | Mr. Haresh K. Makhija | Promoter, Executive Director | Whole-time Director |
| 4 | Mr. Dinesh K. Makhija | Promoter, Executive Director, Chief Financial Officer (CFO) | Whole-time Director & CFO |
| 5 | Mr. Sanjay Vishindas Nasta | Non Executive, Independent Director | Independent Director |
| 6 | Mr. Mohan Rathod | Non Executive, Independent Director | Independent Director |
| 7 | Mr. Ajay Nanik Chandwani | Non Executive, Independent Director | Independent Director |
| 8 | Mrs. Meena Bhate* | Non Executive, Independent Director | Independent Director |

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| | | | |
|----|---|--|--|
| 9 | Mrs. Priyanka Hirendra Moorjani** | Additional Director (Non Executive, Independent Director) | Additional Director |
| 10 | Mrs. Jayanti Pradhan*** | Company Secretary and Compliance Officer | Company Secretary and Compliance Officer |
| 11 | Mrs. Shazia Fatima Mohammed Karimuddin Shaikh**** | Company Secretary and Compliance Officer | Company Secretary and Compliance Officer |

* Mrs. Meena Bhate has resigned from Directorship w.e.f. 02-03-2023.

** Mrs. Priyanka Hirendra Moorjani was appointed as Additional Director w.e.f. 21-04-2023.

*** Mrs. Jayanti Pradhan resigned as Company Secretary and Compliance Officer w.e.f. 31.05.2022.

**** Mrs. Shazia Fatima Mohammed Karimuddin Shaikh was appointed as Company Secretary and Compliance Officer w.e.f. 24.06.2022.

Appointment/ Re-appointment:

The Board of Directors at its meeting held on June 13, 2023, subject to approval of shareholders, Approved the appointment of Mrs. Priyanka Hirendra Moorjani (DIN : 10093028) as Non-Executive Independent Director for the period of Five (5) years commencing from w.e.f. April 21, 2023 at 23RD Annual General Meeting scheduled to be held on July 20, 2023. Resolution seeking shareholders' approval for her appointment along with other required details are provided as an Annexure to Notice of the Annual General Meeting.

Directors Retiring by Rotation:

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Haresh Kanayalal Makhija (DIN: 00586720) ,Whole Time Director retires by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, has sought re-appointment. Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended their re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Mr. Haresh Kanayalal Makhija (DIN: 00586720) ,are provided as an Annexure to the Notice of the Annual General Meeting. None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Cessations:

Mrs. Meena Bhate (DIN: 02283674), Independent Director, stepped down as an Independent

SANMIT INFRA LIMITED

Director and Member of the Board effective March 2, 2023 due to Preoccupation in other activities and my inability to devote time to the business affairs of the Company . She confirmed that there were no other material reasons for her resignation. The Board of Directors place on record their deep appreciation for the contributions and guidance provided by Mrs. Meena Bhate during his tenure.

Key Managerial Personnel :

Mrs. Jayanti Pradhan (Membership No.: A66253), Company Secretary and Compliance Officer resigned from the Company w.e.f. May 31, 2022 to pursue an alternative career opportunity. The Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on June 24, 2022 appointed Ms. Shazia Fatima Mohammed Karimuddin Shaikh (Membership No.: A28104) as Company Secretary and Compliance Officer of the Company w.e.f. June 24, 2022.

Declarations by Independent Directors:

All Independent Directors of the Company have given declarations that they meet the conditions of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the said conditions of independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

The Ministry of Corporate Affairs ("MCA") vide Notification Number G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs (IICA). All Independent Directors of the Company are registered with IICA.

In the opinion of the Board possess the requisite integrity, experience, expertise, proficiency and qualifications.

NUMBER OF MEETINGS OF THE BOARD :

The Board meets at regular intervals to discuss and decide on business policies and strategies. The Board exhibits strong operational oversight with regular business presentations at Meetings. The Board Meetings are prescheduled to help them plan their schedules and ensure meaningful participation. Only in the case of special and urgent business, should the need arise, of the Board's approval taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The agenda for the Board Meetings includes detailed notes on the items to be discussed to enable the Directors to take informed decisions. During the Financial Year 2022-23, Nine Meetings of the Board of Director were

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conducted. The details of Board Meetings and the attendance of the Directors at such meetings are also provided in the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the prescribed period under the Companies Act, 2013 and the Listing Regulations.

| Sr. No | Date | Board Strength | No. of. Directors Present |
|---------------|--------------------------------|-----------------------|----------------------------------|
| 1 | 26 th April,2022 | 8 | 8 |
| 2 | 28 th May,2022 | 8 | 8 |
| 3 | 24 th June,2022 | 8 | 8 |
| 4 | 28 th July,2022 | 8 | 8 |
| 5 | 12 th August,2022 | 8 | 8 |
| 6 | 29 th August,2022 | 8 | 8 |
| 7 | 04 th October,2022 | 8 | 8 |
| 8 | 14 th November,2022 | 8 | 8 |
| 9 | 13 th February,2023 | 8 | 8 |

PERFORMANCE OF THE BOARD AND COMMITTEES :

During the year under review, the performance of the Board & Committees and Individual Director(s) based on the below parameters was satisfactory:

- (i) All Directors had attended the Board meetings;
- (ii) The remunerations paid to Executive Directors are strictly as per the Company and industry policy.
- (iii) The Independent Directors only received sitting fees.
- (iv) The Independent Directors contributed significantly in the Board and committee deliberation and business and operations of the Company and subsidiaries based on their experience and knowledge and Independent views.
- (v) The Credit Policy, Loan Policy and compliances were reviewed periodically;
- (vi) Risk Management Policy was implemented at all critical levels and monitored by the Internal Audit team who places report with the Board and Audit committee.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The policy of the Company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board and are stated in this Board report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

COMPOSITION OF BOARD COMMITTEES:

SANMIT INFRA LIMITED

Currently, the Board has Five Committees: 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) CSR Committee and 5) Risk management Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance Report in **Annexure-III** that forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Act :

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2022 on a 'going concern' basis.
- (v) The internal financial controls are laid and have been followed by the company and that such controls are adequate and are operating effectively. Such controls means controls and policies and procedures adopted and adhered by the company for orderly and efficient conduct of the business for safeguarding assets, prevention and detection of frauds and errors and maintenance of accounting records and timely preparation of financial statements and review its efficiency.
- (vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually, including Independent Directors, Managing Director, Chief Financial Officer and Executive Directors.

SANMIT INFRA LIMITED

Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was carried out based on responses received from the Directors. The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee Meetings to fulfill duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

The performance evaluation of Independent Directors was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc

The performance evaluation of the Directors and Committees was completed during the year under review. The Independent Directors of the Company have held one meeting during the year without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole.

The Board of Directors expressed their satisfaction with the evaluation process.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS :

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

ENVIRONMENT, HEALTH AND SAFETY :

The Company ensures strict compliance with all the statutory requirements. The focus continues on water and energy conservation, increasing the proportion of green energy in the overall energy consumption and reduction in generation of waste. The Company has robust environment management system in place to ensure all environmental risks and opportunities associated with our operations are taken care.

The safety culture is a journey and management through frequent communication and training is strengthening the safety culture across the Organization and keep reinforcing the discipline. We are also committed to provide a safe & healthy work environment across all the manufacturing plants and offices. The management have put in place strong processes and procedures across all the plants and have systems to continuously monitor its adherence. The Company's plants continue to improve well-being of its personnel by organising occupational health examination, periodic health check-ups and workplace monitoring.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.sanmitinfra.com.

During the financial year under review, no complaints were received under the Whistle Blower Policy / Vigil mechanism

AUDITORS AND REPORTS:

Statutory Auditor & their Audit Report for the year ended March 31, 2023:

As per section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the Members. In line with the requirements of the Companies Act, 2013, Statutory Auditors M/S. PAMS & ASSOCIATES Chartered Accountants (ICAI Firm Registration : 316079E) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 18TH Annual General Meeting (AGM) of the Members held on September 29, 2018 till the Conclusion of 23RD Annual General Meeting of the Company to be held in the year 2023. The term of office M/S. PAMS & ASSOCIATES Chartered Accountants as statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

The Board of Directors of the Company based on the recommendation of Audit Committee in their meeting held on June 13, 2023 have re-appointed M/S. PAMS & ASSOCIATES Chartered Accountants as statutory Auditors of the Company, subject to the approval of

SANMIT INFRA LIMITED

members in the ensuing annual general meeting of the Company for a period of 5 (Five) years from the conclusion of 23RD Annual General Meeting to the Conclusion of 28TH Annual General Meeting to be held in the year 2028.

During the year, the statutory auditors have confirmed that they satisfy the Independence criteria required under the Companies Act, 2013, the Code of Ethics issued by The Institute of Chartered Accountants of India. The Board recommends their reappointment to the members. The notice convening the 23RD Annual General Meeting to be held on July 20, 2023 sets out the details.

The Auditors' Report on the Financial Statement for the year ended March 31, 2023, is unmodified i.e., it does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations. The Auditors had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Secretarial Auditor & their Audit Report for the year ended March 31, 2023 :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.: 5477 Certificate of Practice No. 3987), Secretarial Auditor to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2023.

The Secretarial Audit Report is included as **Annexure-II** and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer. During the year under review, the Secretarial Auditor had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Cost Auditor:

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s C. SAHOO & COMPANY, Cost Accountant (Membership No.: 18011) as the cost auditors of the Company (Firm Registration No. 100665) for the year ending March 31, 2024. Mr. Chandramani Sahoo have vast

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experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for conducting cost audit of the Company for FY2023-24 as recommended by the Audit Committee and approved by the Board .

Reporting of Fraud :

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

ANNUAL RETURN:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at www.sanmitinfraltd.com.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34 read with Schedule V to Listing Regulations, Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company's and its subsidiaries, wherever applicable, for the year under review is presented in a separate section given as **Annexure- I** forming part of this Annual Report.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION& REDRESSAL) ACT 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

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All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance under POSH.

The Company has revisited the Internal Complaints Committee members and emphasised on the roles and responsibilities expected from the members. The Company continuously invests in enhancing the awareness on the Policy across its workforce.

During the year under review, there was no complaint of discrimination and harassment including sexual harassment received by the committee.

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

The details of conservation of Energy, Technology Absorption are not applicable in the case of the company. However the company took adequate steps to conserve the Energy and used the latest technology.

FOREIGN EXCHANGE (inflow/outflow):

During the year under review there were no foreign Exchange Earnings. The Foreign Exchange out go is Nil.

SECRETARIAL STANDARDS COMPLIANCES :

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

GREEN INITIATIVES:

Your Company has adopted a green initiative to minimize the impact on the environment. In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 23RD Annual General Meeting of the Company including the Annual Report for Financial Year 2022-23 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

INSURANCE OF ASSETS:

All the fixed assets, finished goods, semi-finished goods, raw material, packing material and goods of the company lying at different locations have been insured against fire and

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allied risks.

BANK AND FINANCIAL INSTITUTIONS:

Directors are thankful to their bankers for their continued support to the company.

CAUTIONARY STATEMENT:

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw materials availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ACKNOWLEDGEMENT:

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive cooperation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, and Auditors, financial institutions, Customers, employees, suppliers, other business associates and various other stakeholders.

Place : Mumbai
Date : 13/06/2023

By Order of Board of Directors
For Sanmit Infra Limited
Sd/-
Sanjay Makhija
(Managing Director)
DIN: 00586770

ANNEXURE - I

MANAGEMENT DISCUSSION AND ANALYSIS

Presently, the company is mainly into reality development. Due to slowdown in the market condition and price rise it was very difficult for the company to go in a big way in the new business arena.

There are several factors which may affect our results of operations, financial condition and cash flows. These factors may include:

- Economic conditions, business cycles
- Ability to control cost and attain high productivity
- Pricing Pressure due to competition / competitive bidding.
- Human Resource Management
- Our relationship with clients - companies, banks, institutions, individuals, etc.
- Capital expansion and capital expenditure
- Industry Structure and Development
- Key Strategic Highlights
- Risk and Concerns
- Internal Control Systems and Adequacy
- Outlook Opportunities and Threats
- Cautionary Statement

We have briefly elaborated the above factors below:

ECONOMIC CONDITIONS, BUSINESS CYCLES:

The business of any company apart from internal factors will also depend on the macro economic conditions. The demand conditions in the market in the areas in which we operate are affected by various factors outside our control, including prevailing local economic, income and demographic conditions, interest rates available to purchasers requiring financing, the availability of comparable properties completed or under development, changes in governmental policies. As a consequence, our results of operations are significantly affected by factors influencing the Indian economy in general. Any slowdown or perceived slowdown in the Indian economy, government spending in specific sectors of the Indian economy, could adversely impact our business and financial performance. For example, our management believes that other infrastructure projects contribute substantial part of our client list and any events affecting these sectors will have direct impact on demand for our products. If growth is sustained in these sectors, our management believes that such growth may bring in additional demand for our business module.

The Company considering the slow down in the reality sector and considering the experiences of the promoters started trading business of Petroleum product. The turn over is mainly from the trading activities of the petroleum products. The company also started venturing into the waste management activities of medical bi-products.

ABILITY TO CONTROL COST AND ATTAIN HIGH PRODUCTIVITY:

The prices of our services are determined principally by market forces of supply and demand. The market conditions and demand for our services at time of signing the contract will determine the price of our services. Diesel and man power (Skilled and unskilled) form major portion of our cost our ability to executing the contracts at timely basis, maintaining the cost

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competitiveness will determine the profitability of our Company.

PRICING PRESSURE DUE TO COMPETITION/COMPETITIVE BIDDING:

The prices of our services, real estate are determined principally by market forces of supply and demand. We feel that over a period of time there might be increase in competition and it might affect the profitability of our Company. Our Company has been concentrating on receiving the orders from the Government Registered Companies. These Companies generally follow the system of tenders, wherein the contracts will be granted to lowest bidder. This may affect the profit margins of our Company in percentage terms.

CAPITAL EXPANSION AND CAPITAL EXPENDITURES:

Capital Expansion involves huge capital expenditure and determines future earnings of our company. The timing of our expansion program, projects we have taken up, general economic conditions-all these factors will determine future growth of our Company.

OUR RELATIONSHIP WITH CLIENTS-COMPANIES, BANKS, FINANCIAL INSTITUTIONS, INDIVIDUALS ETC:

The operations and revenues of our company for any period will depend on orders in hand. Our ability to get new and also repeated orders will determine the growth of our company. As in any business our ability to maintain good relations with market intermediaries like banks and financial institutions will determine our growth.

HUMAN RESOURCE MANAGEMENT:

Human capital is pivotal for the growth and success of the organisation. Our Company strives to foster a safe, congenial, and inclusive work environment and promotes trust, transparency, and a sense of teamwork through comprehensive and well-documented HR policies.

The key areas for driving Human Resource initiatives at Company are as follows:

The Company ensures strict adherence to its internal codes and has clearly defined zero-tolerance policy towards discrimination of any kind. The Company's structured talent management framework leads to cohesive talent actions across all levels, and ably supports the process of talent acquisition, onboarding, learning and development, performance management and succession planning. Periodic, regular performance conversations and real-time feedback form the backbone of the performance management process. Personnel capability building sessions are conducted regularly across levels, engaging talent across the board - right from trainees to senior leadership.

The Company's culture is centred on the four core pillars, which are as:

- 1. Engaging with Compassion**
- 2. Transparency**
- 3. Respect**
- 4. Ethics**

The company acknowledges the efforts of its people and takes great pride in the dedication, sincerity and hard work of its workforce. We take up various projects based on availability of right mix of man power. Thus our growth is likely to be affected by our ability to attract and retain skill and technical manpower. Our Ability to hire, train and retain people will determine the ability of our company to achieve desired objectives.

These factors and a number of future developments may have impact on our results of operations, financial condition and cash flow in future periods.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has been growing at a blistering pace in the last few years. The Real Estate Industry is ranked as one of the fastest growing sectors. This sector has been growing at an exponential rate -a growth made possible due to favorable demographics, vibrant services sectors, rising purchasing power, changes in shopping habits, growing number of retail malls, availability of finance and reforms initiated by the Government viz., relaxation of FDI norms and tax concessional facilities. This has stimulated the demand for houses, modern offices, warehouses, hotels and shopping centres.

KEY STRATEGIC HIGHLIGHTS:

- Growth in the Market
- New opportunities through collaboration/Marketing Arrangements
- New products, business models, etc.
- Margin enhancement • Innovation and sustainability
- Investment opportunities

As a Company, Sanmit Infra Limited is optimistic about the future as well as its growth path. The Company is confident in its ability to grow its business organically enhancing the production by adopting new technologies.

The Company constantly looks at margin improvement and risk mitigation initiatives through specific projects and global support.

RISK AND CONCERNS:

Risk is an integral and unavoidable component of all businesses. Sanmit Infra Limited is committed to manage its risk in a proactive manner. Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared.

The Company faces various risks which are incidental to the Company's operations in the various segment lines ,like new competitor setting up business or expanding of the existing players owing to the market available. The Company functions in a dynamic business environment and its operations may be exposed to varied risks. To mitigate its impact, we have a comprehensive risk management framework in place that covers identification, assessment, development of mitigation strategy, action plan implementation, monitoring, reporting to and updating the Board and Audit Committee.

The Board of Directors, Audit Committee is in charge of keeping an eye on Risks and evaluating the effectiveness of risk management strategy or process. The Company has very well versed internal financial control structure. These controls were assessed throughout the year under review and no material weaknesses were observed in their design or operations. The Company has adequate internal control procedure commensurate with its size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by management and well-documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements. The Company continuously upgrades these systems in line with best accounting practices.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

Your Company has a robust and reliable system of internal controls commensurate with the nature of our business, and the scale and complexity of our operations. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide a reasonable assurance over:

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1. Timely preparation of Reliable Financial Information
2. Accuracy and completeness of the accounting records
3. Compliance with applicable Laws and Regulations
4. Safeguarding of Assets from unauthorized use or loss
5. Prevention and Detection of Frauds and Errors
6. Effectiveness and efficiency of operations

The current system of Internal Financial Controls (IFC) is aligned with the requirement of the Companies Act 2013. The Company has an Internal Audit function which functionally reports to the Chairperson of the Audit Committee, thereby maintaining its objectivity. The Internal Audit function is supported by a dedicated internal audit team and resources from external audit firms. The annual internal audit plan is carved out from a comprehensively defined Audit Universe that encompasses all businesses, functions, risks, compliance requirements and maturity of controls.

The Audit Committee of the Board is presented with key control issues and the actions taken on issues highlighted. The Audit Committee deliberates with the management, considers the systems as laid down and meets the internal auditors and statutory auditor to ascertain their views on the internal control framework. The Company recognises the fact that any internal control framework would have some inherent limitations and hence has inculcated a process of periodic audits and reviews to ensure that such systems and controls are updated at regular intervals.

OUTLOOK, OPPORTUNITIES AND THREATS:

The Indian economy is getting bigger and better. Going with the estimates that Asia's third largest economy will become the world's third largest by 2050; a need for more robust and vast infrastructure is inevitable. Indian real estate sector faces several threats, risks and concerns. The rising interest rates and scanty land availability in India, and the subsequent global turmoil are creating pressure on the Indian real estate sector.

CAUTIONARY STATEMENT:

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to your Company's Operations. These include climatic and economic conditions affecting demand and supply, government regulations, taxation, and natural calamities over which the Company does not have any direct control.

Place : Mumbai
Date : 13/06/2023

By Order of Board of Directors
For Sanmit Infra Limited
Sd/-
Sanjay Makhija
Managing Director
DIN: 00586770

ANNEXURE – II

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**To,
The Members,
Sanmit Infra Limited
CIN : L70109MH2000PLC288648
601, Makhija Royale, 6th Floor,
S.V. Road Khar (w), Mumbai-400052**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sanmit Infra Limited** (hereinafter called 'the Company') for the financial year ended **31st March, 2023**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and Rules made there under;
- (ii) The Securities Contracts(Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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- (v) The following Agreement, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-
- a. Simplified Listing Agreement for Debt Securities;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - k. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

As informed to us, the other laws as may be applicable specifically to the Company are:

- a. The Electricity Act, 2003;
- b. The Environment (Protection) Act, 1986;

We are not reporting on Fiscal Laws, since those are to be covered by the Statutory Auditor in the course of Statutory Audit.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) relating to Board meetings and General Meetings.
- (ii) The Uniform Debt Listing Agreement entered into by the Company with the BSE Limited.

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During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

Based on the information received and records maintained, we further report the following:

(A) COMPOSITION OF BOARD OF DIRECTORS:

During the financial year under review, the Board of Directors of the Company comprised of the following Directors:

| LIST OF DIRECTORS DURING THE FINANCIAL YEAR 2022-23 | | | | |
|--|------------------------------|-------------------------------------|----------------------------|--------------------------|
| Sl. No. | Name of the Directors | Positions Held | Date of Appointment | Date of Cessation |
| EXECUTIVE AND FUNCTIONAL DIRECTORS | | | | |
| 1. | Mr. Sanjay K. Makhija | Managing Director | 13.02.2012 | - |
| 2. | Mr. Kamal K. Makhija | Whole-time Director | 01.06.2018 | - |
| 3. | Mr. Haresh K. Makhija | Whole-time Director | 12.08.2016 | - |
| 4. | Mr. Dinesh K. Makhija | Whole-time Director & CFO | 27.08.2021 | |
| NON- EXECUTIVE DIRECTORS | | | | |
| 1. | Mr. Sanjay Vishindas Nasta | Non Executive, Independent Director | 12.02.2015 | - |
| 2. | Mrs. Meena Bhate* | Non Executive, Independent Director | 23.03.2015 | 02.03.2023 |
| 3. | Mr. Mohan Rathod | Non Executive, Independent Director | 20.05.2016 | - |
| 4. | Mr. Ajay Nanik Chandwani | Non Executive, Independent Director | 11.11.2021 | - |
| INDEPENDENT DIRECTORS | | | | |
| 1. | Mr. Sanjay Vishindas Nasta | Independent Director | 12.02.2015 | - |
| 2. | Mrs. Meena Bhate* | Independent Director | 23.03.2015 | 02.03.2023 |
| 3. | Mr. Mohan Rathod | Independent Director | 20.05.2016 | - |
| 4. | Mr. Ajay Nanik Chandwani | Independent Director | 11.11.2021 | - |

| LIST OF KEY MANAGERIAL PERSONNEL (KMPs) AS ON 31.03.2023 | | | | |
|---|--|--|--|--|
|---|--|--|--|--|

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| Sl. No. | Name of the KMPs | Positions Held | Date of Appointment | Date of Cessation |
|---------|---|-------------------|---------------------|-------------------|
| 1. | Mr. Sanjay K. Makhja | Managing Director | 13.02.2012 | - |
| 2. | Mr. Dinesh K. Makhija | CFO | 13.11.2020 | - |
| 3. | Mrs. Shazia Fatima Mohammed Karimuddin Shaikh | Company Secretary | 24.06.2022 | - |

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors, Independent Directors & Woman Director in compliance with the provisions of Section 149 of the Companies Act, 2013.

However, there are four Independent Directors as stated above on the Board of the Company. The Company should follow the procedure prescribed under Section 149(10) and Section 149(11) of the Act with regard to the tenure of Independent Directors.

(B) MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year under review, the Company has held Nine (9) meetings of the Board of Directors.

For the Board meeting, adequate notice was given to all Directors. Agenda and detailed notes on agenda of the meetings were sent in advance to all the Directors, in compliance with the provisions of the Companies Act and the Secretarial Standards. The Company has a system existing for seeking and obtaining further information and clarifications on the agenda items placed before the meeting for the meaningful participation at the meeting.

The meetings were convened as per the provisions of the Companies Act, 2013. The requisite Quorum was present in the Board Meeting held during the financial year as per provisions of the Companies Act, 2013 and as per the requirements of the Articles of Association of the Company.

All decisions at the Board Meeting were carried out unanimously and recorded in the minute's book of the meetings of the Board of Directors.

The Attendance of the Directors in Board Meetings held during the financial year was as follows.

| Sr. No | Date | Board Strength | No. of Directors Present |
|--------|------------------------------|----------------|--------------------------|
| 1 | 26 th April,2022 | 8 | 8 |
| 2 | 28 th May,2022 | 8 | 8 |
| 3 | 24 th June,2022 | 8 | 8 |
| 4 | 28 th July,2022 | 8 | 8 |
| 5 | 12 th August,2022 | 8 | 8 |

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| | | | |
|---|--------------------------------|---|---|
| 6 | 29 th August,2022 | 8 | 8 |
| 7 | 04 th October,2022 | 8 | 8 |
| 8 | 14 th November,2022 | 8 | 8 |
| 9 | 13 th February,2023 | 8 | 8 |

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

During the financial year under review, as per the provisions of Section 149(8) read with Clause VII of Schedule IV of Companies Act, 2013, a separate meeting of Independent Directors was held on 13th February,2023.

The meeting of the Independent Directors of the Company consists of the following members:

| | |
|----------------------------|----------------------|
| Mr. Sanjay Vishindas Nasta | Independent Director |
| Mrs. Meena Bhate* | Independent Director |
| Mr. Mohan Rathod | Independent Director |
| Mr. Ajay Nanik Chandwani | Independent Director |

*** Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

(D) STATUTORY COMMITTEES OF THE BOARD:**(i) AUDIT COMMITTEE:**

The Audit Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards.

As on 31.03.2023, the Audit Committee of the Board of Directors of the Company comprised of the following members:

| Sr. No. | Name of Members | Category | Designation |
|----------------|--------------------------|----------------------|--------------------|
| 1. | Mr. Sanjay Nasta | Independent Director | Chairman |
| 2. | Mrs. Meena Bhate* | Independent Director | Member |
| 3. | Mr. Mohan M. Rathod | Independent Director | Member |
| 4. | Mr. Ajay Nanik Chandwani | Independent Director | Member |

*** Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

Company has conducted 4 (Four) Audit Committee Meeting during the year.

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| April - June | July - September | October - December | January - March |
|---------------------------|------------------------------|--------------------------------|--------------------------------|
| 28 th May,2022 | 12 th August,2022 | 14 th November,2022 | 13 th February,2023 |

Adequate Notice for the Audit Committee Meeting was sent to all the Members of the Committee. Agenda and detailed notes on agenda were sent in advance. 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.

All decisions at the Committee Meeting were carried out unanimously and recorded in the minutes book of the respective Committee Meetings.

The Attendance of the Members in the Audit Committee Meeting of the Board of Directors held during the year as follows:

Meetings and Attendance of the Audit Committee during the year:

| | Name of Member | No. of Meeting Held During the Year | No. of Meeting Attended |
|----|--------------------------|--|--------------------------------|
| 1. | Mr. Sanjay Nasta | 4 | 4 |
| 2. | Mrs. Meena Bhate* | 4 | 4 |
| 3. | Mr.Mohan M. Rathod | 4 | 4 |
| 4. | Mr. Ajay Nanik Chandwani | 4 | 4 |

* **Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company has been constituted as per the provisions of Section 178 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards.

During the Financial Year 2022–23 the Nomination Remuneration Committee met Four (4) times. The Composition of the Committee, date of the meetings and attendance of Nomination & Remuneration Committee members in the said meetings is given below –

| Sr. No. | Name of Members | Category | Designation | Date of Meeting |
|----------------|------------------------|----------------------|--------------------|------------------------|
| 1 | Mrs. Meena Bhate* | Independent Director | Chairman | 28.05.2022 |
| 2 | Mr. Sanjay Nasta | Independent Director | Member | 12.08.2022 |

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| | | | | |
|---|--------------------------|----------------------|--------|------------|
| 3 | Mr. Mohan Rathod | Independent Director | Member | 14.11.2022 |
| 4 | Mr. Ajay Nanik Chandwani | Independent Director | Member | 13.02.2023 |

* **Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

(iii) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee of the Company has been constituted as per the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards.

During the Financial Year 2022–23 the Corporate Social Responsibility Committee met One (1) time. The Composition of the Committee, date of the meetings and attendance of Corporate Social Responsibility Committee members in the said meetings is given below –

| Sr. No. | Name of Members | Category | Designation | Date of Meeting |
|----------------|------------------------|----------------------|--------------------|------------------------|
| 1 | Mr. Sanjay Nasta | Independent Director | Chairman | 13.02.2023 |
| 2 | Mr. Sanjay Makhija | Managing Director | Member | - |
| 3 | Mrs. Meena Bhate | Independent Director | Member | - |
| 4 | Mr. Mohan M Rathod | Independent Director | Member | - |

The Company has formulated the CSR policy. The Company has not spent any amount under CSR Head as it is suffering from losses in the last three preceding financial years.

22ND ANNUAL GENERAL MEETING:

During the financial year under review, the Company has conducted its 22ND Annual General Meeting for the FY 2021-22 on 29th September 2022 at 3.00 P.M.

Adequate notice, Agenda and detailed notes on agenda for the 22ND Annual General Meeting were sent in advance to all the members in compliance with the provisions of the Companies Act and the Secretarial Standards. 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. The meeting was convened as per the provisions of the Companies Act, 2013.

MAINTENANCE OF STATUTORY RECORDS:

During the period under review, as per the explanation provided by the management, all Statutory Registers, records and other registers as prescribed under various provisions of the Companies Act, 2013 and the rules made there under were kept and maintained by the Company properly with all

SANMIT INFRA LIMITED

necessary entries made therein. Provisions of these Acts were duly complied with during the period under report.

FILING OF STATUTORY RETURNS:

All provisions of the Act and other statutes were duly complied with regard to filing of various e-forms and returns as per the provisions of the Companies Act, 2013 with the MCA/Registrar of Companies within the prescribed time limit with payment of requisite fees.

All documents/intimations under various Statutes/Listing Regulations/ Business Rules were also regularly filed with the Stock Exchanges and Depositories (NSDL and CDSL) within the prescribed due dates.

We further report that, during the audit period on the basis of documents and explanations provided by the Company, there are adequate systems & processes exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

We further report that as informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

During the year under review, the Board of Directors of the Company on 28TH July,2022, considered and approved the proposal for sub-division and the Company subject to the approval of the Shareholders of the Company at the Annual General Meeting held on September 29, 2022 has decided for Sub-division/Split of Shares of the company for one (1) equity share of face value of Rs. 10/- each into Ten (10) equity shares of face value of Rs. 1/- each i.e. 1,58,00,750 shares of Face value Rs. 10/share have been sub-divided/split into 15,80,07,500 equity shares of Rs. 1 each.

New object has been added to the main object clause to the MOA.

For Ramesh Chandra Mishra & Associates

Sd/-

Ramesh Chandra Mishra

Company Secretary in Practice

FCS: 5477

PCS: 3987

UDIN NO - F005477E000410915

Peer Review Certificate No.: 1133/2021

Date: 29-05-2023

Place: Mumbai

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

**To,
The Members,
Sanmit Infra Limited
CIN : L70109MH2000PLC288648
601, Makhija Royale, 6th Floor,
S.V. Road Khar (w), Mumbai-400052**

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

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

**Date: 29-05-2023
Place: Mumbai**

**For Ramesh Chandra Mishra & Associates
Sd/-
Ramesh Chandra Mishra
Company Secretary in Practice
FCS: 5477
PCS: 3987
UDIN NO - F005477E000410915
Peer Review Certificate No.: 1133/2021**

ANNEXURE -III

CORPORATE GOVERNANCE REPORT

[Report on Corporate Governance pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“ Listing Regulations”) and forming a part of the report of the Board of Directors]

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE:

Sanmit Infra's management constantly strives towards improving, systems and process that promote the values of transparency, professionalism, accountability and compliance.

Good Corporate Governance helps enhancement of long term shareholders value, and interest of other stakeholders. This is achieved through increased transparency, accountability, consistent value system and professionalism. The Company is committed to the adoption and adherence to Corporate Governance Practices that ensure; adequate transparency to take informed decisions and building trust for impactful collaboration. Company is committed to maintain high standards of Corporate Governance to achieve business excellence and strengthen the confidence of all stakeholders. The Company constantly endeavours to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, vendors, suppliers, investors and the wider communities that we serve.

Good corporate governance is the basis for decision-making and control processes and comprises responsible, value-based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders.

Recent amendments of Companies Act, 2013 are effective from October 1, 2014. The amended rules require Companies to get shareholders' approval for related party transactions, establish whistleblower mechanisms, elaborate disclosures on pay packages and have at least one Woman Director on their boards. The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 2nd September, 2015, replacing the earlier Listing Agreement (w.e.f. 1st December, 2015). The amended norm is aligned with the provisions of the Companies Act, 2013 and is aimed to encourage Companies to 'adopt best practices on corporate governance.'

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46 (2) of SEBI Listing Regulations, as applicable, with regard to corporate governance.

BOARD OF DIRECTORS :

The Company's Board is diverse with a mixed blend of expertise, professionals and experience. The Board has an optimum mix of both Independent and Non- Independent Directors. At present the Board of the Company is adequately equipped and well represented by Women Directors and Independent Directors of high repute. The Chairman of the Board and Audit Committee is headed by Independent Director(s). As per

SANMIT INFRA LIMITED

the Listing Regulations, it is mandatory for the company with a non- executive director as a chairperson to have at least one-third of the independent directors.

Size and Composition:

As of March 31, 2023, the Board Comprises of Eight (8) Directors, out of which four (4) are Executive Directors and four (4) are Non-Executive Independent Directors (including one Independent Woman Director). The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Companies Act, 2013 (“the Act”).

The following composition of board of directors of the company as follows:

COMPOSITION OF BOARD AS ON 31-03-2023:

| SR.NO | NAME OF DIRECTOR | CATEGORY | DESIGNATION |
|-------|----------------------------|--|---------------------------|
| 1 | Mr. Sanjay K. Makhja | Promoter, Executive, Managing Director | Managing Director |
| 2 | Mr. Kamal K. Makhija | Promoter, Executive Director | Whole-time Director |
| 3 | Mr. Haresh K. Makhija | Promoter, Executive Director | Whole-time Director |
| 4 | Mr. Dinesh K. Makhija | Promoter, Executive Director, Chief Financial Officer(CFO) | Whole-time Director & CFO |
| 5 | Mr. Sanjay Vishindas Nasta | Non Executive, Independent Director | Independent Director |
| 6 | Mrs. Meena Bhate* | Non Executive, Independent Director | Independent Director |
| 7 | Mr. Mohan Rathod | Non Executive, Independent Director | Independent Director |
| 8 | Mr. Ajay Nanik Chandwani | Non Executive, Independent Director | Independent Director |

* Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.

MEETINGS AND ATTENDANCE DURING THE YEAR 2022-2023:

Annual General Meeting was held on 29TH September, 2022

Board Meetings were conducted 9 (Nine) times during the year as follows:

| Sr. No | Date | Board Strength | No. of Directors Present |
|--------|--------------------------------|----------------|--------------------------|
| 1 | 26 th April, 2022 | 8 | 8 |
| 2 | 28 th May, 2022 | 8 | 8 |
| 3 | 24 th June, 2022 | 8 | 8 |
| 4 | 28 th July, 2022 | 8 | 8 |
| 5 | 12 th August, 2022 | 8 | 8 |
| 6 | 29 th August, 2022 | 8 | 8 |
| 7 | 04 th October, 2022 | 8 | 8 |

SANMIT INFRA LIMITED

| | | | |
|---|--------------------------------|---|---|
| 8 | 14 th November,2022 | 8 | 8 |
| 9 | 13 th February,2023 | 8 | 8 |

The record of Attendance at Board Meetings and Membership of Board of Directors during the year:

| Sr. No | Name of Directors | No of Board Meetings attended during the Year | Attendance at the AGM |
|--------|----------------------------|---|-----------------------|
| 1 | Mr. Sanjay K. Makhja | 9 of 9 | P |
| 2 | Mr. Kamal K. Makhija | 9 of 9 | P |
| 3 | Mr. Hareesh K. Makhija | 9 of 9 | P |
| 4 | Mr. Dinesh K. Makhija | 9 of 9 | P |
| 5 | Mr. Sanjay Vishindas Nasta | 9 of 9 | P |
| 6 | Mrs. Meena Bhate* | 9 of 9 | P |
| 7 | Mr. Mohan Rathod | 9 of 9 | P |
| 8 | Mr. Ajay Nanik Chandwani | 9 of 9 | P |

* **Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

NOTES:

1. The Board evaluated each of Independent Directors participation in the Board and their vast experience, expertise and contribution to the Board and Company. Each and every related party transactions very well scrutinized and checks were made so that the Company is a beneficiary.
2. The Independent Directors held a meeting on 13-02-2023, without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting and they have reviewed the performance of non-independent directors and the Board, performance of the Chairman and information flow structure of the Company.
3. During the period the Company received notices/declarations from the Independent Directors as per Schedule IV and section 149 (6) of the Companies Act, 2013.
4. Mrs. Meena Bhate is an Independent women director to the Board and she has resigned w.e.f. 02-03-2023.
5. The Chairman also set up a Whistleblower mechanism in line with the policy of the company and as per SEBI notification CIR/CFD/POLICY CELL/2/2014 read with section 177 of Companies Act, 2013.

AUDIT COMMITTEE:

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial

Statements of the Company.

Powers of the Audit Committee:

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.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference and Role of the Audit Committee:

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

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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, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of 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 background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses;
- 5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
- 6) Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - b) Annual statement of funds utilised for purposes other than those stated in the offer

SANMIT INFRA LIMITED

document/ prospectus/notice in terms of Regulation 32(7).

During the year under review, the Audit Committee also reviewed and approved the related party transactions from time to time.

Composition of Audit Committee during the year:

| Sr. No. | Name of Members | Category | Designation |
|----------------|--------------------------|----------------------|--------------------|
| 1. | Mr. Sanjay Nasta | Independent Director | Chairman |
| 2. | Mrs. Meena Bhate* | Independent Director | Member |
| 3. | Mr. Mohan M. Rathod | Independent Director | Member |
| 4. | Mr. Ajay Nanik Chandwani | Independent Director | Member |

* **Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

Company has conducted 4 (Four) Audit Committee Meeting during the year.

| April - June | July - September | October - December | January - March |
|---------------------------|------------------------------|--------------------------------|--------------------------------|
| 28 th May,2022 | 12 th August,2022 | 14 th November,2022 | 13 th February,2023 |

Meetings and Attendance of the Audit Committee during the year:

| | Name of Member | No. of Meeting Held During the Year | No. of Meeting Attended |
|----|--------------------------|--|--------------------------------|
| 1. | Mr. Sanjay Nasta | 4 | 4 |
| 2. | Mrs. Meena Bhate* | 4 | 4 |
| 3. | Mr.Mohan M. Rathod | 4 | 4 |
| 4. | Mr. Ajay Nanik Chandwani | 4 | 4 |

* **Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

Functional Heads, Representatives of the statutory auditors, internal auditors as and when required attend the meetings of the Audit Committee from time to time. The Company Secretary of the Company acts as the secretary to the Audit Committee. The Chairperson of the Audit Committee attended the 22nd Annual General Meeting held on **29TH September,2022.**

NOMINATION AND REMUNERATION COMMITTEE:**Brief description :**

The Nomination and Remuneration Committee of the Board has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Terms of reference:

The brief terms of reference of the Nomination and Remuneration Committee include the

SANMIT INFRA LIMITED

following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 1A. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the committee may:

- a) Use the services of an external agencies, if required
- b) Consider candidates from a wide range of backgrounds , having due regard to diversity and
- c) Consider the time commitments of the candidates.
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 of directors their appointment and removal;
5. 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;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management

During the Financial Year 2022-23 the Nomination Remuneration Committee met Four (4) times. The Composition of the Committee, date of the meetings and attendance of Nomination & Remuneration Committee members in the said meetings is given below –

| Sr. No. | Name of Members | Category | Designation | Date of Meeting |
|----------------|--------------------------|----------------------|--------------------|------------------------|
| 1 | Mrs. Meena Bhate* | Independent Director | Chairman | 28.05.2022 |
| 2 | Mr. Sanjay Nasta | Independent Director | Member | 12.08.2022 |
| 3 | Mr. Mohan Rathod | Independent Director | Member | 14.11.2022 |
| 4 | Mr. Ajay Nanik Chandwani | Independent Director | Member | 13.02.2023 |

*** Mrs. Meena Bhate has resigned w.e.f. 02-03-2023.**

REMUNERATION OF DIRECTORS:

The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 2013. The Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees. The Company's remuneration policy is driven by the success and performance of the individual employee and the performance of the Company.

STAKEHOLDER RELATIONSHIP COMMITTEE:

Brief description :

The Stakeholders Relationship Committee has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

Terms of Reference:

1. Resolving the grievance of the security holders of the Company 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

During the Financial Year 2022-23 the Stakeholders Relationship Committee met Two (2) times. The Composition of the Committee, date of the meetings and attendance of Stakeholders Relationship Committee members in the said meetings is given below –

| Sr. No. | Name of Members | Category | Designation | Date of Meeting |
|----------------|--------------------------|----------------------|--------------------|------------------------|
| 1 | Mr. Sanjay Nasta | Independent Director | Chairman | 28.05.2022 |
| 2 | Mr. Sanjay Makhija | Managing Director | Member | 14.11.2022 |
| 3 | Mrs. Meena Bhate | Whole-time Director | Member | - |
| 4 | Mr. Mohan M Rathod | Independent Director | Member | - |
| 5 | Mr. Ajay Nanik Chandwani | Independent Director | Member | - |

During the year, NO Complaints were received through the SCORE portal of SEBI. No request for Share Transfer or Dematerialisation was pending for approval as on March 31, 2023.

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CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Brief description :

The Corporate Social Responsibility Committee has been constituted as per the requirements of Section 135 of the Companies Act, 2013 .

Terms of Reference:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, as amended, read with Rules framed thereunder;
2. Recommend the amount of expenditure to be incurred on such activities;
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time

During the Financial Year 2022-23 the Corporate Social Responsibility Committee met One (1) time. The Composition of the Committee, date of the meetings and attendance of Corporate Social Responsibility Committee members in the said meetings is given below –

| Sr. No. | Name of Members | Category | Designation | Date of Meeting |
|----------------|------------------------|----------------------|--------------------|------------------------|
| 1 | Mr. Sanjay Nasta | Independent Director | Chairman | 13.02.2023 |
| 2 | Mr. Sanjay Makhija | Managing Director | Member | - |
| 3 | Mrs. Meena Bhate | Independent Director | Member | - |
| 4 | Mr. Mohan M Rathod | Independent Director | Member | - |

The Board has approved CSR Policy. The Annual Report on CSR Activities as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in an Annexure which forms part of the Directors' Report.

MANAGEMENT REVIEW AND RESPONSIBILITY:

FORMAL EVALUATION OF OFFICERS:

The Remuneration Committee of the Board approves the compensation and benefits for all executive Board members. Another committee, headed by the MD, reviews, evaluates and decides the annual compensation of our officers from the level of executive upwards.

DISCLOSURES:

RELATED PARTY DISCLOSURES:

The Company has entered into any materially significant related party transactions with its Promoters, Directors, or Management. None of the transaction with any of the related parties was in conflict with the interest of the Company.

COMPLIANCE BY THE COMPANY:

SANMIT INFRA LIMITED

The Company has complied with the requirement of regulatory authorities on matters related to capital market and no penalties/ stricture have been imposed against the Company during the last three years.

ACCOUNTING TREATMENT:

The account treatments are in accordance with the applicable accounting standard. The company has not altered or adapted any new standard.

RISK MANAGEMENT FRAMEWORK:

The Company has a well-defined risk management framework in place. The Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

VIGIL MECHANISM / WHISTLE BLOWER:

The Company has implemented a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement. The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. All personnel have affirmed that they have not been denied access to the Chairman of the audit committee.

NON- MANDATORY REQUIRMENTS:

Shareholder's Rights: The half yearly financial results are published in leading newspapers and also displayed on the Company's website www.sanmitinfraltd.com.

PREVENTION OF INSIDER TRADING:

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prevention of Insider Trading) Regulation, 2015 and the same is available on the Company's website www.sanmitinfraltd.com. This policy also includes practices and procedures for fair disclosures of unpublished price-sensitive information, initial and continual disclosures.

CODE OF CONDUCT:

In accordance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Board of Director and Senior Management.

All members of the Board of Directors and Senior Management personnel have affirmed compliance to the Code as on 31st March, 2023. A declaration to this effect signed by the Managing Director is annexed to this Report.

MD AND CFO CERTIFICATION:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification is provided in this Annual Report.

ANNUAL GENERAL MEETINGS:

Details of Annual General Meetings:

| Particulars | F.Y.2022-2023 | F.Y.2021-2022 | F.Y.2020-2021 |
|---------------------|---|---|---|
| Date | 20/07/2023 | 29/09/2022 | 24/08/2021 |
| Time | 02.00 P.M. | 03.00 P.M. | 02.00 P.M. |
| Venue | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. |
| Regd. Office | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. | 601, Makhija Royale, 6th Floor S.V. Road Khar (w), Mumbai- 400052. |

EXTRA- ORDINARY GENERAL MEETINGS:

Extra-ordinary General Meeting of the company was held on Friday, December 30,2022 at 2:00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

MEANS OF COMMUNICATION:

| | |
|--|---|
| Half Yearly Financial Report | The Financial results of the Company are published in leading newspapers. |
| Quarterly Financial Results | The quarterly financial results of the Company are published in accordance with the requirement of the Listing Agreement of the Stock Exchanges where the shares of the company are listed. |
| Website | www.sanmitinfrald.com . |
| Administrative/Corporate Office | 601, Makhija Royale, 6 th Floor, S.V. Road,Khar (w), Mumbai-400052. |
| Whether Management Discussions and Analysis report is a part of Annual Report or not | Yes |

GENERAL SHAREHOLDERS INFORMATION:**23rd Annual General Meeting:**

SANMIT INFRA LIMITED**Date : 20TH July, 2023****Time : 02:00 P.M.****Venue : 601, Makhija Royale, 6th Floor, S.V. Road ,Khar (w) Mumbai- 400052**

b. **Date of Book Closure:** 14th July,2023 (Friday) to 20TH July, 2023 (Thursday) (both days inclusive)

c. Tentative Calendar for financial year 2023-2024:

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2024 are as follows:

| | |
|---|-------------------------|
| Financial Reporting for the Quarter Ended 30 th June 2023 | By Mid of August 2023 |
| Financial Reporting for the Quarter and Half yearly Ended 30 th September 2023 | By Mid of November 2023 |
| Financial Reporting for the Quarter Ended 31 st December 2023 | By Mid of February 2024 |
| Financial Reporting for the Quarter Ended 31 st March 2024 | By Mid of May, 2024 |

d. Registered Office:

601, 6th Floor, Makhija Royale, S.V.Road , Khar (W), Mumbai-400052.

e. Listing of Shares on Stock Exchanges:

The Company shares are listed on BSE Limited (BSE). The requisite listing fees have been paid in full to the Stock Exchanges.

f. **A) Stock Codes BSE : 532435**

ISIN : INE799C01031

B) Corporate Identity Number: L70109MH2000PLC288648

g. Market Price Data: BSE

a. The Monthly high/low quotation of equity shares traded on the BSE Limited, Mumbai are as follows:

| Month | Open | High | Low | Close | No. of Shares | No. of Trades | Total Turnover |
|--------|--------|--------|--------|--------|---------------|---------------|----------------|
| Apr 22 | 405.00 | 414.95 | 350.00 | 382.65 | 3,49,502 | 5,896 | 13,41,17,312 |
| May 22 | 372.80 | 441.00 | 328.80 | 423.25 | 3,49,209 | 5,986 | 13,89,08,536 |
| Jun 22 | 434.70 | 449.00 | 370.05 | 445.00 | 2,00,269 | 3,758 | 8,42,69,644 |
| Jul 22 | 462.90 | 462.90 | 405.25 | 427.00 | 2,51,337 | 4,068 | 10,75,57,665 |
| Aug 22 | 427.65 | 485.00 | 421.00 | 477.10 | 3,81,484 | 7,160 | 17,46,48,827 |
| Sep 22 | 474.00 | 529.45 | 461.25 | 523.45 | 4,04,594 | 7,732 | 20,00,33,403 |

SANMIT INFRA LIMITED

| | | | | | | | |
|--------|--------|--------|-------|-------|-----------|--------|--------------|
| Oct 22 | 525.25 | 638.00 | 66.60 | 75.10 | 5,87,803 | 10,860 | 22,98,73,681 |
| Nov 22 | 74.95 | 85.70 | 58.50 | 74.45 | 76,49,565 | 18,668 | 55,03,06,866 |
| Dec 22 | 75.00 | 89.80 | 72.00 | 80.35 | 32,22,511 | 16,944 | 25,48,93,980 |
| Jan 23 | 80.80 | 88.45 | 73.25 | 76.00 | 33,07,627 | 18,187 | 26,27,13,122 |
| Feb 23 | 76.90 | 77.10 | 58.05 | 68.05 | 31,46,219 | 14,711 | 21,64,93,031 |
| Mar 23 | 69.80 | 71.75 | 54.85 | 69.26 | 24,65,474 | 12,361 | 16,18,77,902 |

(Source -www.bseindia.com)

h. Registrar and Transfer Agent: SHARE TRANSFER SYSTEM

M/s. Purva Shareregistry (India) Private Limited continues to be the Registrar and Transfer Agent of the Company. All the work related to share Registry in terms of both Physical and Electronic segment has been allotted to M/s. Purva Shareregistry (India) Private Limited, in view of the directive issued by SEBI in this regard i.e. for handling both Physical as well as Electronic transfer at a single point.

Shareholders are therefore requested to send shares for Physical transfer to M/s. Purva Share registry (India) Private Limited instead of sending to the Company. As the Company's shares are compulsorily to be traded in the dematerialized form. Members holding shares in Physical Form are re- requested to send the share certificate to their Depository Participants to enable Registrar and Transfer Agent to take steps for dematerialization at the following:

The address of Registrar and Transfer agents is:

M/s. Purva Shareregistry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai,

Maharashtra 400011

Phone No.022- 2301-2518,2301-6761

Email: - support@purvashare.com

i. Outstanding ADRs / GDRs:

The company has not issued any ADRs / GDRs

j. Address for Correspondence:

601, 6th Floor, Makhija Royale, S.V.Road , Khar (W), Mumbai-400052.

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

**To,
The Members,
Samit Infra Limited
601, Makhija Royale, 6th Floor,
S.V. Road Khar (w), Mumbai-400052.**

We have examined the compliance of conditions of corporate governance by Sanmit Infra Limited ('the Company') for the year ended March 31, 2023 as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India. As per Regulation 15 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the above referred Regulations are not applicable to the Company till 15th November 2018.

With reference to compliance of the regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") we say the company has duly complied the same.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has internally and for better management has complied the conditions of Corporate Governance in line with applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has not filed any corporate Governance report with SE till the 2nd quarter ended 30th September 2018.

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

For Ramesh Chandra Mishra & Associates

Sd/-

**Ramesh Chandra Mishra
Company Secretary in Practice**

FCS: 5477

PCS: 3987

UDIN NO - F005477E000410882

Peer Review Certificate No.: 1133/2021

Date: 29-05-2023

Place: Mumbai

CODE OF CONDUCT DECLARATION
DECLARATION UNDER REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of Sanmit Infra Limited

In terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2023.

**By Order of Board of Directors
For Sanmit Infra Limited**

Sd/-

**Sanjay Makhija
(Managing Director)**

DIN: 00586770

**Place : Mumbai
Date : 13/06/2023**

Managing Director (MD) and Chief Financial Officer (CFO) Certification

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We hereby certify that:

- A. We have reviewed Financial Statements and the cash flow statement for the Financial Year ended March 31, 2023 and 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 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 or illegal or violative of the Company'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 the 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 such 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 have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

For Sanmit Infra Limited

Sd/-

**Sanjay Makhija
Managing Director
DIN: 00586770**

Sd/-

**Dinesh Makhija
Whole Time Director & CFO
DIN: 00586498**

Date : 13.06.2023

Place : Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(i) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

**To,
The Members,
Sanmit Infra Limited
CIN : L70109MH2000PLC288648
601, Makhija Royale, 6th Floor,
S.V. Road Khar (w), Mumbai-400052**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SANMIT INFRA LIMITED having CIN: L70109MH2000PLC288648 and having registered office at 601, Makhija Royale, 6th Floor, S.V. Road Khar (w), Mumbai-400052 IN produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

| Sr. No. | Name of Director | DIN | Date of appointment in Company | Designation |
|----------------|---------------------------------|------------|---------------------------------------|--|
| 1 | Mr. Sanjay K. Makhija | 00586770 | 13/02/2013 | Executive Director-MD |
| 2 | Mr. Kamal K. Makhija | 00586617 | 01/06/2018 | Executive Director |
| 3 | Mr. Haresh K. Makhija | 00586720 | 12/08/2016 | Executive Director |
| 4 | Mr. Dinesh K. Makhija | 00586498 | 27/08/2021 | Executive Director |
| 5 | Mr. Sanjay Vishindas Nasta | 00086708 | 12/02/2015 | Non-Executive Independent Director |
| 6 | Mrs.Priyanka Hirendra Moorjani* | 10093028 | 21/04/2023 | Additional Director (Non-Executive Independent Director) |
| 7 | Mr. Mohan Rathod | 06823515 | 20/05/2016 | Non-Executive Independent Director |

SANMIT INFRA LIMITED

| | | | | |
|---|--------------------------|----------|------------|---------------------------------------|
| 8 | Mr. Ajay Nanik Chandwani | 09332747 | 11/11/2021 | Non-Executive Independent Director |
|---|--------------------------|----------|------------|---------------------------------------|

Ensuring the eligibility of 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 this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ramesh Chandra Mishra & Associates

Date: 29-05-2023
Place: Mumbai

Sd/-
Ramesh Chandra Mishra
Company Secretary in Practice
FCS: 5477
PCS: 3987
UDIN NO - F005477E000410508
Peer Review Certificate No.: 1133/2021

ANNEXURE- IV**CSR POLICY****1. Brief outline on CSR Policy of the Company :**

The Company's policy on CSR sets out a statement containing the approach and direction given by the Board of Directors after taking into account the recommendations of its CSR Committee and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. This policy is framed pursuant to Section 135 of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

2. Composition of CSR Committee :

| Sr.No | Name of Director | Designation | Chairman/Member | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|-------|------------------------------|------------------------------------|-----------------|--|--|
| 1 | Mrs. Meena Jayesh Bhate* | Non-Executive Independent Director | Chairman | 1 | 1 |
| 2 | Mr. Sanjay Vishindas Nasta | Non-Executive Independent Director | Member | 1 | 1 |
| 3 | Mr. Mohan Mallu Rathod | Non-Executive Independent Director | Member | 1 | 1 |
| 4 | Mr. Sanjay Kanayalal Makhija | Executive Director | Member | 1 | 1 |

* Mrs. Meena Bhate has resigned w.e.f. 02-03-2023 and Mrs. Priyanka Moorjani will be the women independent director in place of Mrs. Meena Jayesh Bhate w.e.f. 21-04-2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company : <https://sanmitinfraltd.com>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not Applicable**

5. **(In Rupees)**

| | | |
|----|---|-----------|
| a. | Average net profit of the company as per sub-section (5) of section 135 | 37992975 |
| b. | Two percent of average net profit of the company as per sub-section (5) of section 135 | 759859.50 |
| c. | Surplus arising out of the CSR Projects or programmes or activities of the previous financial years | Nil |
| d. | Amount required to be set-off for the financial year, if any | Nil |
| e. | Total CSR obligation for the financial year [(b) +(c)-(d)] | 759859.50 |

6. **(In Rupees)**

| | | |
|----|---|----------|
| a. | Amount spent on CSR Projects (other than Ongoing Project) | 7,60,433 |
| b. | Amount spent in Administrative Overheads | Nil |
| c. | Amount spent on Impact Assessment, if applicable | Nil |
| d. | Total amount spent for the Financial Year [(a)+(b)+(c)] | 7,60,433 |

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 subsection (6) of section 135 | | Amount transferred to any fund specified under Schedule-VII as per second proviso to sub-section (5) of section 135 | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 7,60,433 | - | - | - | - | - |

F. Excess amount for set-off, if any:

| Sr.No | Particulars | Amount (in Rs.) |
|-------|--|-----------------|
| i. | Two percent of average net profit of the company as per sub-section (5) of section 135 | 759859.50 |
| ii. | Total amount spent for the Financial Year | 7,60,433 |
| iii. | Excess amount spent for the Financial Year [(ii)-(i)] | 573.5 |
| iv. | Surplus arising out of the CSR projects or | Nil |

| | | |
|----|---|-------|
| | programmes or activities of the previous Financial Years, if any | |
| v. | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | 573.5 |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years :

| Sr. No | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount spent in the Financial Year (in Rs.) | Amount transferred to a Fund as specified under Schedule VII as per proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs.) | Deficiency (if any) |
|----------------|-----------------------------|--|--|---|--|---|---------------------|
| NOT APPLICABLE | | | | | | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- **Not Applicable**

For Sanmit Infra Limited

Sd/-

**Sanjay Makhija
Managing Director
DIN: 00586770**

Sd/-

**Mrs.Meena Bhate
Chairperson CSR Committee
DIN: 02283674**

Date : 13.06.2023

Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

**To the Members of
SANMIT INFRA LIMITED**

Report on the Audit of Financial Statements

OPINION

We have audited the accompanying Ind AS financial statements of **SANMIT INFRA LIMITED** ("hereinafter referred to as the Company") which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provision 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for 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 | Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 | We assessed the Company's process to identify the impact of adoption of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: (i) Verification of purchase order w.r.t. quantity, rate etc on test check basis. (ii) Delivery of the material, Collection w.r.t the bill etc on test check basis. |
| 2 | Valuation of the Inventory in view of adoption of Ind AS 2 "Inventories" | We assessed the Company's process to identify the impact of adoption of the inventory accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: (i) Verifying the records available with the company for movement of stocks. (ii) Obtaining valuation certificate from the company. (iii) Regarding the valuation of closing stock we have relied on the valuation of the Management and the physical verification report of the management. |

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

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

SANMIT INFRA LIMITED

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 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 section 143 (3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The 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.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” to this report.
- g. With respect to the other matters to be included in the Auditor’s report in accordance with the requirements of section 197(16) of the Act, as amended:

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 no pending litigations and consequently has no impact on its financial position in its financial statements as per the certificate submitted by the company.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the 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 person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have 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), as provided under and (b) above, contain any material misstatement.

- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Pams & Associates

Chartered Accountants

Firm Registration number:

316079E

Sd/-

CA Manoranjan Mishra

Partner

Membership Number: 063698

UDIN: 23063698BGYHGK2568

Place: MUMBAI

Date: 29.05.2023

Annexure “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sanmit Infra Limited of even date)

Report on the Internal Financial Controls over Financial Reporting 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 **SANMIT INFRA LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Pams & Associates

Chartered Accountants

Firm Registration number:

316079E

Sd/-

CA Manoranjan Mishra

Partner

Membership Number: 063698

UDIN: 23063698BGYHGK2568

Place: MUMBAI

Date: 29.05.2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sanmit Infra Limited of even date).

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of Company's Property, Plant and Equipment and Intangible Assets :
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The company has a regular program of physical verification of its Property, Plant and Equipment (PPE) by which PPEs are verified in a phased manner. In accordance with this program certain PPEs were physically verified by the Management during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of company and the nature of its assets.
 - (c) The company does not have any immovable properties disclosed in the financial statement hence reporting under clause 3(i)(c) of the order is not applicable.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a)As explained to us, the inventories were physically verified during the year by the management. In our opinion and according to the information and explanations given to us, the inventories have been verified by the management at reasonable intervals in relation to size of the company and we have relied on the valuation of inventory.

(b)The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company for the above facility are in agreement with the books of account of the company except for the statements filed for quarters during the year ended 31st March 2023, where difference were noted between the amounts as per books of account for respective quarter and amount as reported in the quarterly statements. The differences were in case of debtors amounting to Rs. 13.68 lakhs (amount reported Rs. 3223.15 lakhs vs amount as per books of accounts Rs. 3209.47 lakhs), Rs. 109.02 lakhs (amount reported Rs. 2886.22 lakhs vs amount as per books of accounts Rs. 2777.20 lakhs),

Rs. 12.18 lakhs (amount reported Rs. 3050.17 lakhs vs amount as per books of accounts Rs. 3038.52 lakhs), Rs. 18.21 lakhs (amount reported Rs. 3590.86 lakhs vs amount as per books of accounts Rs. 3609.07) for the quarter ended 30th June, 2022, 30th September, 2022, 31st December 2022, 31st March 2023. The company has reconciled the differences and identified the reasons for differences.

- iii. According to information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties, hence reporting under the clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees and securities to which provisions of Section 185 or 186 of the Act are applicable and hence reporting under clause 3(iv) of the order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable
- vi. We have broadly reviewed the cost records maintained by the Company including the records prescribed by the Central Government under Section 148(1) of the Act, for the products of the Company and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to information and explanations given to us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon . However, there is difference in yes bank car loan as per books of account and as per bank confirmation.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authorities.
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
(d) On an 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) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The company has made preferential allotment or private placement of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been duly complied with. In our opinion and according to the information and explanations given to us, the company has utilized funds raised by way of preferential allotment or private placement of shares for the purposes for which the funds were raised.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As explained to us the company has not received any whistle blower complaints during the year (and upto the date of this report). Management representation with regards to the same was obtained from the company. However the procedure followed by the company in this regard is not adequate and needs improvement.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. Based on our examination of books of accounts and as per information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

SANMIT INFRA LIMITED

- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- 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 on the functioning 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- xx. In respect to Corporate Social Responsibility:
- a. According to the information and explanations given to us, there has been no unspent amount in respect of other than ongoing projects during the year and
 - b. According to the information and explanations given to us, there has been no unspent amount in respect of ongoing projects during the year.

For Pams & Associates
Chartered Accountants
Firm Registration number:
316079E
Sd/-

CA Manoranjan Mishra
Partner
Membership Number: 063698
UDIN: 23063698BGYHGK2568

Place: MUMBAI
Date: 29.05.2023

SANMIT INFRA LIMITED

| Sanmit Infra Limited | | (Rs. In lakhs) | |
|---|--------------|------------------------------------|--------------------------|
| Balance sheet as at 31st March, 2023 | | 31st March | 31st March |
| Particulars | Note No | 2023 | 2022 |
| | | () | () |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | | | |
| Tangible assets | 2A | 294.98 | 406.07 |
| Right of use assets | 2B | 9.29 | - |
| Intangible assets | 3 | 0.16 | 0.43 |
| Capital Work In Progress | 4 | 175.20 | - |
| Deferred tax assets (net) | 5 | 27.62 | 7.18 |
| Current assets | | | |
| Inventories | 6 | 685.49 | 745.49 |
| Financial assets | | | |
| Trade receivables | 7 | 3,613.37 | 2,802.66 |
| Cash and cash equivalents | 8 | 22.61 | 23.58 |
| Short term loans and advances | 9 | 59.68 | 57.78 |
| Other current assets | 10 | 117.61 | 5.23 |
| | Total | 5,006.00 | 4,048.42 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 11 | 1,580.08 | 1,580.08 |
| Other equity | 12 | 1,595.86 | 1,134.37 |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Long term borrowings | 13 | 230.93 | 397.51 |
| Lease liabilities | 14 | 7.68 | - |
| Current liabilities | | | |
| Financial liabilities | | | |
| Short term borrowings | 15 | 586.36 | 452.43 |
| Lease liabilities | 14 | 2.27 | - |
| Trade payables | 16 | 859.83 | 340.24 |
| Other financial liabilities | 17 | 9.35 | 8.73 |
| Provisions | 18 | 38.02 | 121.61 |
| Other current liabilities | 19 | 95.63 | 13.46 |
| | Total | 5,006.00 | 4,048.42 |
| Additional information to the financial statements | 1 - 33 | | |
| As per our report of even date | | | |
| For PAMS & Associates | | For and behalf of the Board | |
| Chartered Accountants | | Sanmit Infra Limited | |
| ICAI's Firm registration number: 316079E | | CIN : L70109MH2000PLC288648 | |
| Sd/- | | Sd/- | Sd/- |
| CA Manoranjan Mishra | | Sanjay Makhija | Haresh Makhija |
| Partner | | Director | Director |
| Membership number: 063698 | | DIN : 00586770 | DIN : 00586720 |
| UDIN : 23063698BGYHGK2568 | | | |
| Place : Mumbai | | Sd/- | Sd/- |
| Date : 29.05.2023 | | Dinesh Makhija | Shazia Shaikh |
| | | Chief Financial Officer | Company Secretary |

SANMIT INFRA LIMITED

| Sanmit Infra Limited | | (Rs. In lakhs) | |
|--|---|--------------------------|------------------|
| Statement of profit and loss for the year ended 31st March, 2023 | | | |
| Particulars | Note No | 31st March 2023 | 31st March 2022 |
| | | (₹) | (₹) |
| Income | | | |
| Revenue from operations | 20 | 13,987.98 | 14,639.79 |
| Other income | 21 | 362.72 | 83.03 |
| Total revenue | (I) | 14,350.69 | 14,722.82 |
| Expenditure | | | |
| Purchases and direct expense | 22 | 13,044.68 | 13,469.66 |
| Changes in inventories | 23 | 60.00 | (362.42) |
| Employee benefit expense | 24 | 115.22 | 99.34 |
| Finance charges | 25 | 72.10 | 57.51 |
| Depreciation and amortisation expense | 2 | 137.40 | 119.45 |
| Other expense | 26 | 254.05 | 548.75 |
| Total expenditure | (II) | 13,683.46 | 13,932.29 |
| Profit/(Loss) before tax | (I - II) | 667.24 | 790.53 |
| Tax expense | | | |
| Current tax | | 170.40 | 153.93 |
| Deferred tax | 29.04 | (20.44) | (6.07) |
| Current tax expense relating to prior years | | 0.48 | 2.12 |
| | | 150.45 | 149.98 |
| Profit/(Loss) for the year from continuing operations | | 516.79 | 640.55 |
| Other comprehensive income | | | |
| A) (i) Items that will not be reclassified to profit and loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit and loss | | - | - |
| B) (i) Items that will be reclassified to profit and loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit and loss | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income/(loss) for the year | | 516.79 | 640.55 |
| Earnings per share | | | |
| Basic and diluted | | | |
| Computed on the basis of total profit from continuing operations | 29.03 | 0.33 | 0.46 |
| Additional information to the financial statements | | | |
| | 1 - 33 | | |
| As per our report of even date | | | |
| For PAMS & Associates | For and on behalf of the Board of Directors of | | |
| Chartered Accountants | Sanmit Infra Limited | | |
| ICAI's Firm registration number: 316079E | CIN : L70109MH2000PLC288648 | | |
| Sd/- | Sd/- | Sd/- | |
| CA Manoranjan Mishra | Sanjay Makhija | Haresh Makhija | |
| Partner | Director | Director | |
| Membership number: 063698 | DIN : 00586770 | DIN : 00586720 | |
| UDI 23063698BGYH GK2568 | | | |
| Plac Mumbai | Sd/- | Sd/- | |
| Date 29.05.2023 | Dinesh Makhija | Shazia Shaikh | |
| | Chief Financial Officer | Company Secretary | |

SANMIT INFRA LIMITED

| Sanmit Infra Limited | | (Rs. In lakhs) | |
|--|------------|---|--------------------------|
| Cash flow statement for the year ended 31st March, 2022 | | 31st March 2023 | 31st March 2022 |
| | | (₹) | (₹) |
| Cash flows from operating activities | | | |
| Net profit before tax | | 667.24 | 790.53 |
| <u>Adjustments for</u> | | | |
| Add : Non Cash item/items required to be disclosed separately | | | |
| Finance cost | | 72.10 | 57.51 |
| Depreciation and amortisation | | 137.40 | 119.45 |
| Operating profit before working capital changes | | 876.74 | 967.48 |
| <u>Changes in working capital:</u> | | | |
| Inventories and work in progress | | 60.00 | (362.47) |
| Trade receivables | | (810.71) | (665.67) |
| Short-term loans and advances | | (1.89) | 177.07 |
| Other current assets | | (132.82) | (0.27) |
| <u>Adjustments for increase / (decrease) in operating liabilities:</u> | | | |
| Trade payables | | 519.59 | (613.34) |
| Deferred tax liability | | - | - |
| Provisions | | (83.59) | 112.20 |
| Other financial liabilities | | 0.62 | 2.41 |
| Other current liabilities | | 82.18 | (58.82) |
| Profit generated from operations | | 510.10 | (441.40) |
| Tax paid (net of refunds) | | (150.45) | (149.98) |
| Net cash generated/(lost) from operating activities | (i) | 359.66 | (591.38) |
| Cash flows from investing activities | | | |
| Capital expenditure on fixed assets, including capital advances | | (23.44) | (253.01) |
| Capital expenditure on CWIP | | (175.20) | - |
| Net cash generated/(lost) from investing activities | (ii) | (198.64) | (253.01) |
| Cash flows from financing activities | | | |
| Proceeds from fresh issue of capital | | - | 452.65 |
| Dividend paid | | (55.30) | (38.40) |
| Finance cost | | (72.10) | (57.51) |
| Repayment of lease liabilities | | (1.93) | |
| Proceeds/Repayments from other short-term borrowings | | 133.93 | 452.43 |
| Proceeds/Repayments from other long-term borrowings | | (166.58) | 16.18 |
| Net cash generated/(lost) from financial activities | (iii) | (161.99) | 825.35 |
| Net change in cash and cash equivalents | (i+ii+iii) | (0.97) | (19.04) |
| Cash and cash equivalents at the beginning of the year | | 23.58 | 42.62 |
| Cash and cash equivalents at the end of the year | | 22.61 | 23.58 |
| Notes forming part of the financial statement | 1 - 33 | | |
| As per our report on even date | | | |
| For PAMS & Associates | | For and on behalf of the Board of Directors of | |
| Chartered Accountants | | Sanmit Infra Limited | |
| ICAI's Firm registration number: 316079E | | | |
| Sd/- | | Sd/- | Sd/- |
| CA Manoranjan Mishra | | Sanjay Makhija | Haresh Makhija |
| Partner | | Director | Director |
| Membership number: 063698 | | DIN : 00586770 | DIN : 00586720 |
| UDIN : 698BGYHGK2568 | | | |
| Place : Mumbai | | Sd/- | Sd/- |
| Date : 29.05.2023 | | Dinesh Makhija | Shazia Shaikh |
| | | Chief Financial Officer | Company Secretary |

SANMIT INFRA LIMITED
Sanmit Infra Limited

Notes forming part of the financial statements

Note - 2A Property, plant and equipment
(Rs. In lakhs)

| Particulars | Tangibles | | | | Total |
|---|---------------------------|---------------------|--------------------------|---------------|---------------|
| | Furniture and Fixtures | Office equipment | Computers and devices | Motor car | |
| Balance as on 1st April 2022 | 1.85 | 6.38 | 7.02 | 597.10 | 612.35 |
| Additions | - | 2.83 | 0.94 | 19.66 | 23.44 |
| Disposals | - | - | - | - | - |
| Balance as on 31st March 2023 | 1.85 | 9.21 | 7.96 | 616.76 | 635.79 |
| Accumulated depreciation as on 1st April 2022 | 1.05 | 2.43 | 3.26 | 199.55 | 206.28 |
| Depreciation charge for the year | 0.21 | 1.05 | 2.58 | 130.70 | 134.53 |
| Adjustments/reversal on disposal of asset | - | - | - | - | - |
| Accumulated depreciation as on 31st March 2023 | 1.26 | 3.47 | 5.84 | 330.24 | 340.82 |
| Net Carrying amount as at 31st March 2023 | 0.60 | 5.74 | 2.12 | 286.52 | 294.98 |
| Balance as on 1st April 2021 | 1.85 | 2.51 | 1.55 | 353.43 | 359.35 |
| Additions | - | 3.87 | 5.47 | 243.68 | 253.01 |
| Disposals | - | - | - | - | - |
| Balance as on 31st March 2022 | 1.85 | 6.38 | 7.02 | 597.10 | 612.35 |
| Accumulated depreciation as on 1st April 2021 | 0.77 | 1.25 | 0.86 | 84.71 | 87.58 |
| Depreciation charge for the year | 0.28 | 1.18 | 2.40 | 114.84 | 118.70 |
| Adjustments/reversal on disposal of asset | - | - | - | - | - |
| Accumulated depreciation as on 31st March 2022 | 1.05 | 2.43 | 3.26 | 199.55 | 206.28 |
| Net Carrying amount as at 31st March 2022 | 0.81 | 3.95 | 3.76 | 397.56 | 406.07 |

Note - 2B Right of use asset
(Rs. In 'lakhs)

| Particulars of movement in ROU asset | ROU asset | |
|---|--------------|--------------|
| | Building | Total |
| Balance as on 1st April 2022 | - | - |
| Additions | 11.88 | 11.88 |
| Disposals/retirement | - | - |
| Balance as on 31st March 2023 | 11.88 | 11.88 |
| Accumulated depreciation as on 1st April 2022 | - | - |
| Depreciation charge for the year | 2.59 | 2.59 |
| Adjustments/reversal on disposal/retirement of asset | - | - |
| Accumulated depreciation as on 31st March 2023 | 2.59 | 2.59 |
| Net Carrying amount as at 31st March 2023 | 9.29 | 9.29 |
| Balance as on 1st April 2021 | - | - |
| Additions | - | - |
| Disposals/retirement | - | - |
| Balance as on 31st March 2022 | - | - |
| Accumulated depreciation as on 1st April 2021 | - | - |
| Depreciation charge for the year | - | - |
| Adjustments/reversal on disposal/retirement of asset | - | - |
| Accumulated depreciation as on 31st March 2022 | - | - |
| Net Carrying amount as at 31st March 2022 | - | - |

SANMIT INFRA LIMITED

Sanmit Infra Limited

Notes forming part of the financial statements

Note - 3 Intangible assets

(Rs. In lakhs)

| Particulars | Softwares | Total |
|---|-------------|-------------|
| Balance as on 1st April 2022 | 1.25 | 1.25 |
| Additions | - | - |
| Disposals | - | - |
| Balance as on 31st March 20 | 1.25 | 1.25 |
| Accumulated depreciation as on 1st April 2022 | 0.82 | 0.82 |
| Ammortisation for the year | 0.27 | 0.27 |
| Adjustments/reversal on disposal of asset | - | - |
| Accumulated depreciation as on 31st March 2023 | 1.09 | 1.09 |
| Net Carrying amount as at 31st March 2023 | 0.16 | 0.16 |
| Balance as on 1st April 2021 | 1.25 | 1.25 |
| Additions | - | - |
| Disposals | - | - |
| Balance as on 31st March 20 | 1.25 | 1.25 |
| Accumulated depreciation as on 1st April 2021 | 0.08 | 0.08 |
| Ammortisation for the year | 0.75 | 0.75 |
| Adjustments/reversal on disposal of asset | - | - |
| Accumulated depreciation as on 31st March 2022 | 0.82 | 0.82 |
| Net Carrying amount as at 31st March 2022 | 0.43 | 0.43 |

Note - 4 Capital Work in Progress (CWIP)

| Particulars | 31st March 2023 | 31st March 2022 |
|----------------------|-----------------|-----------------|
| Projects in progress | 175.20 | - |
| | 175.20 | - |

Capital Work In Progress ageing schedule

As at 31st March 2023

| CWIP | Less than 1 Year | 1 to 2 Year | 2 to 3 years | More than 3 years | As at 31st March 2023 |
|----------------------|------------------|-------------|--------------|-------------------|-----------------------|
| Projects in progress | 175.20 | - | - | - | 175.20 |

As at 31st March 2022

| CWIP | Less than 1 Year | 1 to 2 Year | 2 to 3 years | More than 3 years | As at 31st March 2022 |
|----------------------|------------------|-------------|--------------|-------------------|-----------------------|
| Projects in progress | - | - | - | - | - |

SANMIT INFRA LIMITED

| Sanmit Infra Limited | | | | | |
|---|----------------------|----------------|----------------------|--------------------|-----------------|
| Statement of changes in equity for the year ended 31st March 2023 | | | | | |
| (Rs. In lakhs) | | | | | |
| Particulars | Equity share capital | Share Warrants | Reserves and surplus | | |
| | | | Retained earnings | Securities premium | Total |
| Balance as at 01.4.2021 | 1,097.25 | 150.88 | 387.20 | 24.31 | 411.52 |
| Add : Shares issued during the year | 482.83 | - | - | - | - |
| Add/Less : Conversion of warrants | - | (150.88) | - | - | - |
| Add : Securities premium on shares issued | - | - | - | 120.71 | 120.71 |
| Add : Profit for the year | - | - | 640.55 | - | 640.55 |
| Add : Other comprehensive income for the year | - | - | - | - | - |
| Less : Dividend paid | - | - | (38.40) | - | (38.40) |
| Balance as at 31.3.2022 | 1,580.08 | - | 989.35 | 145.02 | 1,134.37 |
| Balance as at 01.4.2022 | 1,580.08 | - | 989.35 | 145.02 | 1,134.37 |
| Add : Profit for the year | - | - | 516.79 | - | 516.79 |
| Add : Other comprehensive income for the year | - | - | - | - | - |
| Less : Dividend paid | - | - | (55.30) | - | (55.30) |
| Balance as at 31.3.2023 | 1,580.08 | - | 1,450.84 | 145.02 | 1,595.86 |

SANMIT INFRA LIMITED

| Sanmit Infra Limited | (Rs. In lakhs) | |
|---|-----------------|-----------------|
| Notes forming part of the financial statements | 31st March 2023 | 31st March 2022 |
| | (₹) | (₹) |
| Note - 5 Deferred tax assets (net) | | |
| At the beginning of the year | 7.18 | 1.11 |
| Charge/(credit) to statement of profit and loss | 20.44 | 6.07 |
| Charge/(credit) to OCI | - | - |
| At the end of the year | <u>27.62</u> | <u>7.18</u> |
| Note - 6 Inventories | | |
| Finished goods | 433.47 | 482.70 |
| Work in progress | 252.02 | 262.79 |
| | <u>685.49</u> | <u>745.49</u> |
| Note - 7 Trade receivables | | |
| Sundry Debtors (Refer note 30 for ageing schedule) | | |
| - Unsecured, considered good | 3,613.37 | 2,802.66 |
| | <u>3,613.37</u> | <u>2,802.66</u> |
| Note - 8 Cash and cash equivalents | | |
| Cash in hand | 2.26 | 4.84 |
| Balance with schedule banks | | |
| - In current account | 1.69 | 1.12 |
| | 3.95 | 5.96 |
| Other bank balances | | |
| Deposits with original maturity of more than 3 months and remaining maturity of less than 12 months | 18.67 | 17.62 |
| | <u>22.61</u> | <u>23.58</u> |
| Note - 9 Short term loans and advances | | |
| Security deposits | 49.28 | 47.20 |
| Other loans and advances | 10.40 | 10.58 |
| | <u>59.68</u> | <u>57.78</u> |
| Note - 10 Other current assets | | |
| Advances other than capital advances | 115.29 | - |
| Other current asset | 2.32 | 5.23 |
| | <u>117.61</u> | <u>5.23</u> |
| Note - 12 Other equity | | |
| Securities premium | | |
| Balance as per last financial statement | 145.02 | 24.31 |
| Add: Premium on shares issued during the year | - | 120.71 |
| | <u>145.02</u> | <u>145.02</u> |
| Retained earnings | | |
| Balance as per last financial statement | 989.35 | 387.20 |
| Add: Profit/(loss) for the period/year | 516.79 | 640.55 |
| Net surplus/(deficit) in statement of profit and loss | <u>1,506.14</u> | <u>1,027.75</u> |
| <u>Less: Appropriations</u> | | |
| Dividend on equity shares | (55.30) | (38.40) |
| | <u>1,450.84</u> | <u>989.35</u> |
| | <u>1,595.86</u> | <u>1,134.37</u> |

SANMIT INFRA LIMITED

| | | |
|--|------------------|------------------|
| Note - 13 Long term borrowings | | |
| Secured Loans | | |
| From banks and financial institutions | 216.72 | 390.77 |
| Unsecured loans repayable on demand | | |
| From related parties (Refer note - 27) | 14.22 | 6.74 |
| | 230.93 | 397.51 |
| Note - 14 Lease liabilities | | |
| Non current | | |
| Lease Liabilities | 7.68 | - |
| | 7.68 | - |
| Current | | |
| Lease Liabilities | 2.27 | - |
| | 2.27 | - |
| Note - 15 Short term borrowings | | |
| Secured | | |
| - From Banks(*) (Refer note 29.13) | 586.36 | 452.43 |
| | 586.36 | 452.43 |
| (*) Secured against current assets of the company and immovable properties held by directors | | |
| Note - 16 Trade payables | | |
| Sundry creditors (Refer note 30 for ageing schedule) | | |
| - Micro enterprises and small enterprises | - | - |
| - Other than micro enterprises and small enterprises | 859.83 | 340.24 |
| | 859.83 | 340.24 |
| Note - 17 Other financial liability | | |
| Employee related payable | | |
| - Related parties (Refer note 28) | 3.21 | 3.08 |
| - Others | 6.14 | 5.65 |
| | 9.35 | 8.73 |
| Note - 18 Provisions | | |
| Provision for income tax (net) | 34.76 | 6.03 |
| Provision for others | 3.25 | 115.57 |
| | 38.02 | 121.61 |
| Note - 19 Other current liabilities | | |
| Statutory remittances | 59.50 | 12.60 |
| Advance from customers | 34.45 | - |
| Unpaid dividend | 1.68 | 0.86 |
| | 95.63 | 13.46 |
| Note - 20 Revenue from operations | | |
| Sale of products | 13,915.91 | 14,639.79 |
| Sale of services | 72.07 | - |
| | 13,987.98 | 14,639.79 |

SANMIT INFRA LIMITED

| | | |
|---|------------------|------------------|
| Note - 21 Other income | | |
| Discount received | 249.84 | 79.60 |
| Demurrage charges | 1.82 | - |
| Interest income | 11.10 | 1.09 |
| Insurance claim received | - | 2.33 |
| Sundry balance written back | 99.30 | - |
| Gain on exchange fluctuation | 0.21 | - |
| Other income | 0.45 | - |
| | 362.72 | 83.03 |
| Note - 22 Purchases and direct expense | | |
| Purchase of products | 12,592.21 | 12,981.10 |
| Direct expenses | 452.47 | 488.56 |
| | 13,044.68 | 13,469.66 |
| Note - 23 Changes in inventories | | |
| Finished goods | | |
| Opening stock | 482.70 | 131.06 |
| Less: Closing stock | (433.47) | (482.70) |
| | 49.23 | (351.64) |
| Work in Progress | | |
| -Construction | | |
| Opening Work in progress | 252.02 | 251.96 |
| Add : Expenses incurred during the year | - | 0.06 |
| Less: Closing work in progress | (252.02) | (252.02) |
| | - | - |
| -Machinery | | |
| Opening stock | 10.78 | - |
| Less: Closing stock | - | (10.78) |
| | 10.78 | (10.78) |
| | 60.00 | (362.42) |
| Note - 24 Employee benefit expense | | |
| Director's remuneration | 34.67 | 31.30 |
| Salaries and bonus | 76.87 | 62.67 |
| Contribution to provident fund and others | 3.06 | 3.59 |
| Staff welfare | 0.62 | 1.78 |
| | 115.22 | 99.34 |
| Note - 25 Finance charges | | |
| Finance charges | 72.10 | 57.51 |
| | 72.10 | 57.51 |

SANMIT INFRA LIMITED

| Note - 26 Other expense | | |
|--|---------------|---------------|
| Advertisement expense | 0.59 | 0.34 |
| Bank charges | 3.33 | 1.69 |
| Commission | 10.90 | 197.22 |
| Loss on foreign exchange | | 0.09 |
| Travelling and conveyance | 16.20 | 19.36 |
| Insurance charges | 12.30 | 14.10 |
| Printing and stationary | 1.64 | 2.75 |
| Business promotion expenses | 1.12 | 9.12 |
| Rent paid | 3.46 | 4.43 |
| Payment to auditor (refer note below) | 2.50 | 1.00 |
| Donation (including CSR) | 18.20 | 10.82 |
| Stock exchange and connectivity charges | 7.63 | 4.55 |
| Registrar and share transfer agent charges | 0.18 | 1.07 |
| Repairs and maintenance charges | 56.75 | 94.42 |
| Rates and taxes | 0.91 | 22.99 |
| Director's sitting fees | 0.70 | - |
| Lab and testing charges | 2.23 | 1.96 |
| Professional fees | 21.80 | 35.63 |
| Contract labour charges | 66.70 | 81.28 |
| Miscellaneous expense | 26.89 | 45.93 |
| | 254.05 | 548.75 |
| Note: | | |
| Payment to auditor | | |
| - Towards statutory audit (including limited review) | 2.50 | 1.00 |
| | 2.50 | 1.00 |

SANMIT INFRA LIMITED

Sanmit Infra Limited

Notes forming part of the financial statements

Note 27 Disclosures under Accounting Standards

Segment reporting

(Rs. In lakhs)

| | 2023 | | | 2022 | | |
|--|-----------------|-----------------------|----------------------------|------------------|-----------------------|----------------------------|
| | External | Inter segment | Total | External | Inter segment | Total |
| Segment revenue | | | | | | |
| Realty and Infrastructure | - | - | - | - | - | - |
| Petroleum | 13,597.33 | - | 13,597 | 13,815.63 | - | 13,815.63 |
| Trading | 751.81 | - | 752 | 906.10 | - | 906.10 |
| Revenue from sale of products | 14,349 | - | 14,349 | 14,721.73 | - | 13,815.63 |
| Segment results | | | | | | |
| Realty and Infrastructure | - | - | - | - | - | - |
| Petroleum | 489.14 | - | 489.14 | 869.21 | - | 869.21 |
| Trading | 569.64 | - | 569.64 | 328.61 | - | 328.61 |
| Segment total | 1,058.78 | - | 1,058.78 | 1,197.82 | - | 1,197.82 |
| Unallocated corporate expenses net of unallocated income | 391.55 | - | 391.55 | 407.29 | - | 407.29 |
| Profit before taxation | 667.24 | - | 667.24 | 790.53 | - | 790.53 |
| Tax expense | 152.25 | - | 152.25 | 149.98 | - | 149.98 |
| Profit for the year | 514.98 | - | 514.98 | 640.05 | - | 640.55 |
| Other information | | | | | | |
| | | Segment assets | Segment liabilities | | Segment assets | Segment liabilities |
| Realty and Infrastructure | | 262.02 | 1.75 | | 262.02 | 14.81 |
| Petroleum | | 4,001.28 | 995.52 | | 2,765.84 | 592.19 |
| Trading | | 631.14 | 82.13 | | 939.08 | 193.11 |
| Segment total | | 4,894.44 | 1,079.39 | | 3,966.93 | 800.12 |
| Unallocated Corporate Assets/ Liabilities | | 111.56 | 750.67 | | 81.49 | 533.86 |
| Total | | 5,006.00 | 1,830.07 | | 4,048.42 | 1,333.98 |

Notes:

The Company's operations are principally based in India only. Hence secondary segment reporting for geographic segment is not applicable. The Company is currently focused on three business groups: Infrastructure/Realty, Petroleum and Biomedical waste recycling. However there is no revenue generated from the infrastructure/ realty segment during the year. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.

SANMIT INFRA LIMITED

Sanmit Infra Limited

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards

Related party transactions

| <u>Description of relationship</u> | <u>Names of related parties</u> |
|---|--|
| Key Managerial Personnel (KMP) | Mr. Sanjay Makhija Mr. Dinesh Makhija Mr. Haresh Makhija Mr. Kamal Makhija |
| Relatives of KMP | Mr. Shlok Makhija (Son of the director Mr. Sanjay Makhija) Mr. Chirag Makhija (Son of the director Mr. Haresh Makhija) Mr. Parthiv Makhija (Son of the director Mr. Sanjay Makhija) Mrs. Rachana Makhija (Wife of director Mr. Haresh Makhija) |
| Entities in which KMP/Relatives of KMP exercise significant | Haresh Agencies (Firm) (Partnership firm where directors Mr. Sanjay Makhija, Mr. Haresh Makhija and CFO Mr. Dinesh Makhija are partners) Sanjeev Station Services (Partnership firm where director Mr. Haresh Makhija is partner) Dynamic fuels (Proprietorship firm of director Mr. Dinesh Makhija) Sanjay Builders and Developers (Partnership firm where directors Mr. Sanjay Makhija, Mr. Dinesh Makhija, Mr. Haresh Makhija and Mr. Kamal Makhija are partner) |

Note: Related parties have been identified by the management.

Details of related party transactions during the period ended 31 March, 2023 and balances outstanding as at 31 March, 2023:

(Rs. In lakhs)

| Particulars | KMP | | Relatives of KMP | | Entities in which KMP / relatives of KMP have significant influence | | Total | |
|--|----------|----------|------------------|----------|---|----------|----------|----------|
| | March-23 | March-22 | March-23 | March-22 | March-23 | March-22 | March-23 | March-22 |
| <u>Transactions during the period</u> | | | | | | | | |
| <u>Loans taken</u> | | | | | | | | |
| Sanjay Makhija | 10.17 | 1,919.61 | - | - | - | - | 10.17 | 1,919.61 |
| Haresh Makhija | 27.19 | 259.97 | - | - | - | - | 27.19 | 259.97 |
| Dinesh Makhija | 171.93 | 717.75 | - | - | - | - | 171.93 | 717.75 |
| Kamal Makhija | 48.62 | 791.41 | - | - | - | - | 48.62 | 791.41 |
| Shlok Makhija | - | - | - | 0.34 | - | - | - | 0.34 |
| Chirag Makhija | - | - | - | 0.10 | - | - | - | 0.10 |

SANMIT INFRA LIMITED**Loans repaid**

| | | | | | | | | |
|----------------|--------|----------|---|------|---|---|--------|----------|
| Sanjay Makhija | 10.18 | 1,973.23 | - | - | - | - | 10.18 | 1,973.23 |
| Haresh Makhija | 27.20 | 314.63 | - | - | - | - | 27.20 | 314.63 |
| Dinesh Makhija | 172.25 | 751.26 | - | - | - | - | 172.25 | 751.26 |
| Kamal Makhija | 40.81 | 793.07 | - | - | - | - | 40.81 | 793.07 |
| Shlok Makhija | - | - | - | 0.34 | - | - | - | 0.34 |

Amount received on conversion of warrants

| | | | | | | | | |
|----------------|---|--------|---|---|---|---|---|--------|
| Sanjay Makhija | - | 113.17 | - | - | - | - | - | 113.17 |
| Kamal Makhija | - | 113.16 | - | - | - | - | - | 113.16 |
| Dinesh Makhija | - | 113.17 | - | - | - | - | - | 113.17 |
| Haresh Makhija | - | 113.16 | - | - | - | - | - | 113.16 |

Sale of products

| | | | | | | | | |
|------------------------|---|---|---|---|--------|--------|--------|--------|
| Haresh Agencies (Firm) | - | - | - | - | 830.10 | 958.11 | 830.10 | 958.11 |
| Dynamic Fuels | - | - | - | - | 100.37 | 236.91 | 100.37 | 236.91 |

Purchase of fixed asset (Tanker)

| | | | | | | | | |
|------------------------|---|---|---|---|---|------|---|------|
| Haresh Agencies (Firm) | - | - | - | - | - | 6.50 | - | 6.50 |
|------------------------|---|---|---|---|---|------|---|------|

Purchase of products

| | | | | | | | | |
|--------------------------|---|---|---|---|----------|----------|----------|----------|
| Haresh Agencies (Firm) | - | - | - | - | 1,759.84 | 3,588.84 | 1,759.84 | 3,588.84 |
| Dynamic Fuels | - | - | - | - | 2.40 | 30.75 | 2.40 | 30.75 |
| Sanjay Builders & Develk | - | - | - | - | 202.59 | - | 202.59 | - |

Discount given

| | | | | | | | | |
|------------------------|---|---|---|---|---|------|---|------|
| Haresh Agencies (Firm) | - | - | - | - | - | 7.02 | - | 7.02 |
|------------------------|---|---|---|---|---|------|---|------|

Discount received

| | | | | | | | | |
|------------------------|---|---|---|---|------|---|------|---|
| Haresh Agencies (Firm) | - | - | - | - | 7.72 | - | 7.72 | - |
|------------------------|---|---|---|---|------|---|------|---|

Transportation charges received

| | | | | | | | | |
|------------------------|---|---|---|---|-------|---|-------|---|
| Dynamic Fuels | - | - | - | - | 4.63 | - | 4.63 | - |
| Haresh Agencies (Firm) | - | - | - | - | 39.55 | - | 39.55 | - |

Transportation charges paid

| | | | | | | | | |
|------------------------|-------|-------|---|---|-------|--------|-------|--------|
| Sanjay Makhija | 7.05 | 18.66 | - | - | - | - | 7.05 | 18.66 |
| Haresh Makhija | 14.34 | 10.69 | - | - | - | - | 14.34 | 10.69 |
| Dinesh Makhija | - | - | - | - | - | - | - | - |
| Kamal Makhija | 7.87 | 7.15 | - | - | - | - | 7.87 | 7.15 |
| Haresh Agencies (Firm) | - | - | - | - | 54.57 | 112.01 | 54.57 | 112.01 |

RTO and toll expense

| | | | | | | | | |
|----------------|------|---|---|---|---|---|------|---|
| Haresh Makhija | 0.40 | - | - | - | - | - | 0.40 | - |
|----------------|------|---|---|---|---|---|------|---|

Diesel and lube oil charges

| | | | | | | | | |
|-------------------------|---|---|---|---|--------|--------|--------|--------|
| Sanjeev Service Station | - | - | - | - | 140.59 | 190.48 | 140.59 | 190.48 |
|-------------------------|---|---|---|---|--------|--------|--------|--------|

Calibration charges

| | | | | | | | | |
|-------------------------|---|---|---|---|------|------|------|------|
| Sanjeev Service Station | - | - | - | - | 0.21 | 0.24 | 0.21 | 0.24 |
|-------------------------|---|---|---|---|------|------|------|------|

SANMIT INFRA LIMITED**Rent paid**

| | | | | | | | | |
|-------------------------|------|------|---|---|------|------|------|------|
| Haresh Makhija | 1.15 | 0.30 | - | - | - | - | 1.15 | 0.30 |
| Dinesh Makhija | 1.15 | 0.30 | - | - | - | - | 1.15 | 0.30 |
| Haresh Agencies (Firm) | - | - | - | - | 0.25 | 1.02 | 0.25 | 1.02 |
| Sanjay Makhija | 1.15 | 0.30 | - | - | - | - | 1.15 | 0.30 |
| Kamal Makhija | 2.35 | 1.50 | - | - | - | - | 2.35 | 1.50 |
| Sanjeev Service Station | - | - | - | - | 0.25 | 1.02 | 0.25 | 1.02 |

Rent Deposit

| | | | | | | | | |
|----------------|------|---|---|---|---|---|------|---|
| Haresh Makhija | 4.00 | - | - | - | - | - | 4.00 | - |
| Dinesh Makhija | 4.00 | - | - | - | - | - | 4.00 | - |
| Sanjay Makhija | 4.00 | - | - | - | - | - | 4.00 | - |
| Kamal Makhija | 4.00 | - | - | - | - | - | 4.00 | - |

Remuneration / Salary

| | | | | | | | | |
|-----------------|------|------|------|------|---|---|------|------|
| Sanjay Makhija | 8.67 | 7.83 | - | - | - | - | 8.67 | 7.83 |
| Kamal Makhija | 8.67 | 7.83 | - | - | - | - | 8.67 | 7.83 |
| Dinesh Makhija | 8.67 | 7.83 | - | - | - | - | 8.67 | 7.83 |
| Haresh Makhija | 8.67 | 7.83 | - | - | - | - | 8.67 | 7.83 |
| Shlok Makhija | - | - | 3.47 | 3.13 | - | - | 3.47 | 3.13 |
| Parthiv Makhija | - | - | 3.47 | 3.13 | - | - | 3.47 | 3.13 |

Commission

| | | | | | | | | |
|-----------------|---|---|-------|-------|---|---|-------|-------|
| Shlok Makhija | - | - | 10.72 | 26.90 | - | - | 10.72 | 26.90 |
| Chirag Makhija | - | - | - | 0.25 | - | - | - | 0.25 |
| Parthiv Makhija | - | - | 0.50 | - | - | - | 0.50 | - |

Food and beverage expenses

| | | | | | | | | |
|-----------------|---|---|------|---|---|---|------|---|
| Rachana Makhija | - | - | 0.23 | - | - | - | 0.23 | - |
|-----------------|---|---|------|---|---|---|------|---|

Diwali expense

| | | | | | | | | |
|-----------------|---|---|------|---|---|---|------|---|
| Rachana Makhija | - | - | 0.85 | - | - | - | 0.85 | - |
|-----------------|---|---|------|---|---|---|------|---|

Balances outstanding at the end of the period**Loan taken outstanding**

| | | | | | | | | |
|----------------|------|------|---|---|---|---|------|------|
| Sanjay Makhija | 1.85 | 1.85 | - | - | - | - | 1.85 | 1.85 |
| Haresh Makhija | 1.64 | 1.66 | - | - | - | - | 1.64 | 1.66 |
| Dinesh Makhija | 1.60 | 1.92 | - | - | - | - | 1.60 | 1.92 |
| Kamal Makhija | 9.13 | 1.31 | - | - | - | - | 9.13 | 1.31 |

SANMIT INFRA LIMITED

| <u>Trade creditors</u> | | | | | | | | | |
|----------------------------------|------|-------|------|------|--------|--------|--------|--------|--|
| Haresh Makhija | 1.43 | 14.25 | - | - | - | - | 1.43 | 14.25 | |
| Sanjay Makhija | 2.04 | 21.25 | - | - | - | - | 2.04 | 21.25 | |
| Dinesh Makhija | 0.61 | 3.00 | - | - | - | - | 0.61 | 3.00 | |
| Kamal Makhija | 8.57 | 7.08 | - | - | - | - | 8.57 | 7.08 | |
| Sanjeev Service station | - | - | - | - | 7.19 | 8.61 | 7.19 | 8.61 | |
| Shlok Makhija | - | - | 0.53 | 0.24 | - | - | 0.53 | 0.24 | |
| Parthiv Makhija | - | - | 0.27 | 0.15 | - | - | 0.27 | 0.15 | |
| Sanjay Builders and Devt | - | - | - | - | 192.64 | - | 192.64 | - | |
| Haresh Agencies (firm) | - | - | - | - | 4.25 | 10.73 | 4.25 | 10.73 | |
| Dynamic fuels | - | - | - | - | 4.25 | - | 4.25 | - | |
| <u>Trade receivables</u> | | | | | | | | | |
| Dynamic fuels | - | - | - | - | 2.98 | - | 2.98 | - | |
| <u>Advance to vendors</u> | | | | | | | | | |
| Dynamic fuels | - | - | - | - | - | 3.14 | - | 3.14 | |
| Haresh Agencies (firm) | - | - | - | - | 769.23 | 123.55 | 769.23 | 123.55 | |

SANMIT INFRA LIMITED

Notes forming part of the financial statements

Note - 29 Additional information to the financial statements

Note Particulars

| | | <u>31st March, 2023</u> | <u>31st March, 2022</u> |
|--------------|--|-------------------------|-------------------------|
| | | (Rs. In lakhs) | (Rs. In lakhs) |
| 29.01 | Contingent liabilities and commitments (to the extent not provided for) | | |
| (i) | Contingent liabilities | | |
| | (a) Claims against the Company not acknowledged as debt | Nil | Nil |
| | (b) Guarantees | | |
| | (i) Bank guarantees issued by bankers towards security deposits under contracts entered into by the company and outstanding at year end | 26.17 | 26.17 |
| 29.02 | Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| | Micro, Small and Medium Enterprises in terms of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provision of this Act is not expected to be material. | | |
| 29.03 | Earnings per share (EPS) | | |
| | The following reflects the profit and share data used in the basic and diluted EPS computations: | | |
| | | <u>31st March, 2023</u> | <u>31st March, 2022</u> |
| | | (Rs. In lakhs) | (Rs. In lakhs) |
| | Total (continuing) operations for the period/year | | |
| | Profit/(loss) after tax | 516.79 | 640.55 |
| | Net profit/(loss) for calculation of basic/diluted EPS (A) | 516.79 | 640.55 |
| | Weighted average number of equity shares in calculating basic (B) | 15,80,07,500.00 | 13,82,97,658 |
| | Earnings per share (EPS) (basic/diluted) (A/B) | 0.33 | 0.46 |
| | (*) Previous year's EPS has been restated to reflect the impact of subdivision of shares | | |
| 29.04 | Deferred tax asset/liability (net) | <u>31st March, 2023</u> | <u>31st March, 2022</u> |
| | | (Rs. In lakhs) | (Rs. In lakhs) |
| | Deferred tax assets | | |
| | On difference between book balance and tax balance of fixed assets | 27.62 | 7.18 |
| | Gross deferred tax assets (A) | 27.62 | 7.18 |
| | Deferred tax liabilities | | |
| | On difference between book balance and tax balance of fixed assets | - | - |
| | Gross deferred tax liabilities (B) | - | - |
| | Deferred tax asset/(liability) (net) (A-B) | 27.62 | 7.18 |
| | <u>Particulars</u> | <u>31st March, 2023</u> | <u>31st March, 2022</u> |
| | | (Rs. In lakhs) | (Rs. In lakhs) |
| 29.05 | Value of imports calculated on CIF basis | 4.48 | 8.65 |
| 29.06 | Expenditure in foreign currency | Nil | Nil |
| 29.07 | Earnings in foreign exchange | Nil | Nil |
| 29.08 | The balances appearing under long term borrowings, short term borrowings, trade payables, trade receivables, loans and advances, and banks are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation. | | |

- 29.09** The company has entered into an Memorandum of Understanding dated 16th November, 2016 with M/s Sanjay Builders (a partnership firm in which directors of the company are interested as partners) wherein the company is awarded the contract of construction of the property at 48, Mia Mohamad Chotani Road, Mahim (West), Mumbai - 400 016. Expenses incurred during the year on account of the said construction has been carried forward as work in progress in the financial statement.
- 29.10** The Board is subject to consideration of the audit committee meeting scheduled to be held on 08-06-2023 to propose the final dividend @ Rs. 0.035 per share of face value of Rs. 1 each.
- 29.11** In the opinion of the Board, assets other than fixed assets do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
- 29.12** The company is in process of adopting a defined benefit retirement plan ("the gratuity plan") covering the eligible employees. In accordance with the payment of Gratuity Act, 1972 the gratuity plan will provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment. Liabilities with regards to the same will be provided for from Financial Year 2023-24. Further, all unutilised leaves of employees lapses at the end of the financial year so company has not provided for leave encashment.
- 29.13** The quarterly returns or statements filed by the company for the above facility are in agreement with the books of account of the company except for the statements filed for quarters during the year ended 31st March 2023, where difference were noted between the amounts as per books of account for respective quarter and amount as reported in the quarterly statements. The differences were in case of debtors amounting to Rs. 13.68 lakhs (amount reported Rs. 3223.15 lakhs vs amount as per books of accounts Rs. 3209.47 lakhs), Rs. 109.02 lakhs (amount reported Rs. 2886.22 lakhs vs amount as per books of accounts Rs. 2777.20 lakhs), Rs. 12.18 lakhs (amount reported Rs. 3050.17 lakhs vs amount as per books of accounts Rs. 3038.52 lakhs), Rs. 18.21 lakhs (amount reported Rs. 3590.86 lakhs vs amount as per books of accounts Rs. 3609.07) for the quarter ended 30th June, 2022, 30th September, 2022, 31st December 2022, 31st March 2023. The company has reconciled the differences and identified the reasons for differences.
- 29.14** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

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Notes forming part of the financial statements

Note 30 Additional regulatory information

30.1 Analytical ratios

| <u>Sr No</u> | <u>Particulars</u> | <u>Numerator</u> | <u>Denominator</u> | <u>31st March, 2023</u> | <u>31st March, 2022</u> | <u>Variance</u> | <u>Reasons</u> |
|--------------|----------------------------------|-------------------------------------|---------------------------|-------------------------|-------------------------|-----------------|---|
| a) | Current ratio | Current assets | Current liabilities | 2.83 | 3.88 | -27.17% | NA |
| b) | Debt equity ratio | Total debt | Shareholder's equity | 0.26 | 0.31 | -17.81% | NA |
| c) | Debt service coverage ratio | Earnings available for debt service | Debt service | 4.40 | 7.26 | -39.35% | Variation is on account of increase in debt during the year |
| d) | Return on equity ratio | Net profit after tax | Shareholder's equity | 0.16 | 0.24 | -31.04% | NA |
| e) | Inventory turnover ratio | Sales | Average Inventory | 19.55 | 25.95 | -24.65% | NA |
| f) | Trade receivables turnover ratio | Net credit sales/services | Average Trade receivables | 4.36 | 5.93 | -26.44% | Variation is on account of decrease in sales during the year |
| g) | Trade payables turnover ratio | Net credit purchases | Average Trade payables | 20.99 | 20.07 | 4.58% | NA |
| h) | Net capital turnover ratio | Net sales/services | Working capital | 4.81 | 5.43 | -11.32% | NA |
| i) | Net profit ratio | Net profit after tax | Net sales/services | 0.04 | 0.04 | -15.56% | NA |
| j) | Return on capital employed | EBIT (*) | Capital employed (#) | 0.19 | 0.24 | -22.18% | Variation is on account of decrease in profits during the year as compared to loss in previous year |
| k) | Return on investment | Earning from invested funds | Total invested funds | 0.16 | 0.24 | -31.04% | NA |

(*) EBIT = Earning before interest and taxes

(#) Capital employed = Tangible net worth + Total debt

30.2 Trade Payables ageing schedule (Rs. In lakhs)

| Particulars | as at 31st March 2023 | | | | Total |
|-----------------------------|-----------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 819.15 | 32.10 | 5.25 | 11.16 | 867.66 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

(Rs. In lakhs)

| Particulars | as at 31st March 2022 | | | | Total |
|-----------------------------|-----------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 318.21 | 16.42 | 1.86 | 3.76 | 340.24 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

30.3 Trade Receivables ageing schedule (Rs. In lakhs)

| Particulars | as at 31st March 2023 | | | | | Total |
|---|-----------------------|-------------------|-----------|-----------|-------------------|----------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 3,089.32 | 410.96 | 63.42 | 15.62 | 34.05 | 3,613.37 |
| (ii) Undisputed Trade receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables considered doubtful | - | - | - | - | - | - |

(Rs. In lakhs)

| Particulars | as at 31st March 2022 | | | | | Total |
|---|-----------------------|-------------------|-----------|-----------|-------------------|----------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 2,539.15 | 94.85 | 123.29 | 16.54 | 28.82 | 2,802.66 |
| (ii) Undisputed Trade receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables considered doubtful | - | - | - | - | - | - |

Sanmit Infra Limited

Notes forming part of the financial statements

Note 31 A - Financial assets and financial liabilities

| | (Rs. In lakhs) | |
|---|----------------------------|----------------------------|
| | Carrying value | |
| Financial assets/ Financial liabilities | 31st March 2023 | 31st March 2022 |
| <u>Financial assets measured at amortised cost</u> | | |
| Financial assets - current | | |
| Trade receivables | 3,613.37 | 2,802.66 |
| Cash and cash equivalents | 22.61 | 23.58 |
| Short term loans and advances | 59.68 | 57.78 |
| Total | 3,695.66 | 2,884.02 |
| <u>Financial liabilities measure at amortised cost</u> | | |
| Financial liabilities - non current | | |
| Borrowings | 230.93 | 397.51 |
| Lease liabilities | 7.68 | - |
| Financial liabilities - current | | |
| Borrowings | 586.36 | 452.43 |
| Lease liabilities | 2.27 | - |
| Trade payables | 859.83 | 340.24 |
| Other financial liabilities | 9.35 | 8.73 |
| Total | 1,696.42 | 1,198.91 |

Notes : Financial assets and liabilities include cash and cash equivalents, trade receivables, eligible current and non-current assets, trade payables, borrowings, lease and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term

Note 32 Corporate Social Responsibility

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with schedule VII thereof by the company during the year is Rs.7.59 lakhs (Previous Year Rs. Nil)

(b) Expenditure related to Corporate Social Responsibility is Rs. 7.60 lakhs (Previous Year Rs. Nil)

| Particulars | 31st March 2023 | 31st March 2022 |
|--------------------|----------------------------|----------------------------|
| Animal Welfare | 7.60 | - |
| Total | 7.60 | - |

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SPNP Paper and Pack Pvt Ltd

Notes forming part of the financial statements

Note 33 - Income taxes

| A Major Components of Income Tax Expense for the year are as under | 31st March 2023 | 31st March 2022 |
|--|--------------------|--------------------|
| (i) Items recognised in statement of profit and loss | | |
| Current tax : | | |
| In respect of current year | 170.40 | 153.93 |
| In respect of short/excess provisions for earlier years | 0.48 | 2.12 |
| Deferred tax | | |
| In respect of current year | (20.44) | (6.07) |
| Income tax expense recognised in statement of profit and loss | 150.45 | 149.98 |
| (ii) Items recognised in OCI | | |
| | - | - |

B The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:**As at 31st March 2023**

| | April 1, 2022 | Amount charged to statement of profit and loss | Amount charged to other comprehensive income | 31st March 2023 |
|--|------------------|--|--|--------------------|
| Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961 | 7.18 | 20.25 | - | 27.44 |
| Difference in ROU asset and lease liabilities | - | 0.18 | - | 0.18 |
| Net deferred tax (liability)/asset | 7.18 | 20.44 | - | 27.62 |

As at 31st March 2022

| | April 1, 2021 | Amount charged to statement of profit and loss | Amount charged to other comprehensive income | 31st March 2022 |
|--|------------------|--|--|--------------------|
| Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961 | 1.11 | 6.07 | - | 7.18 |

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| | | | | |
|---|-------------|-------------|---|-------------|
| Difference in ROU asset and lease liabilities | - | - | - | - |
| Net deferred tax (liability)/asset | 1.11 | 6.07 | - | 7.18 |

Sanmit Infra Ltd **Notes forming part of financial statement**

1. Basis of preparation and significant accounting policies:

1.1 Basis of preparation:

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Significant accounting, judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

1.3 Summary of Significant accounting polices

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle held primarily for the purpose of trading
- Expected to be realized in normal operating cycle or within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

b) Revenue recognition

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration we expect to receive in exchange of product or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The performance obligations have been met;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- it can be reliably measured and it is reasonable to expect ultimate collection.

c) Cash flow

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Depreciation has been provided on written down value method in accordance with section 198 of the Companies Act, 2013 at the rates specified in schedule II to the Companies Act, 2013, on *pro-rata* basis with reference to the period of use of such assets.

Capital WIP

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

e) Amortisation of intangible assets

Intangible Assets as defined in Accounting Standard 26-“Intangible Assets” are valued at cost and amortised as per its useful life and value in use.

f) Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred

g) Inventories

Inventories of petroleum products and machinery are measured at lower of cost and net realizable value on FIFO basis after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other cost incurred in bringing them to their respective present location and condition.

h) Lease

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset. The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. They are subsequently measured at cost less accumulated depreciation and impairment losses. The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

i) Income taxes

Income tax expense comprises of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases, used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

j) Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

k) Financial instruments:

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.

l) Foreign currency translation

Initial Recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Nonmonetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss

m) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three broad categories:

- Financial assets at amortized cost
- Financial assets at fair value through OCI (FVTOCI)
- Financial assets at fair value through profit and loss (FVTPL)

Financial Assets measured at Amortised Cost (AC)

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A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding

Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at fair value through profit and loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

ii. Financial liabilities

Initial recognition and measurement

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost

The Company's financial liabilities include trade payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

n) Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment benefits

The company is in process of adopting a defined benefit retirement plan ("the gratuity plan") covering the eligible employees. In accordance with the payment of Gratuity Act, 1972 the gratuity plan will provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment. Liabilities with regards to the same will be provided for from Financial Year 2023-24.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year.