ANNUAL REPORT

2025-2026

SMC CREDITS LIMITED

BOARD OF DIRECTORS

Mr. Rajesh Goenka
Ms. Jyoti Rajshree
Mr. Rajesh Ramnani
Mr. Manish Manwani

CHIEF FINANCIAL OFFICER

Mr. Rajesh Goenka

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ankit Aggarwal

STATUTORY AUDITORS

M/s Kumar Ashwani & Associates
(Chartered Accountants)

SECRETARIAL AUDITORS

M/s Neeraj Arora & Associates
(Company Secretaries)

REGISTRAR & SHARE TRANSFER AGENTS

Beetal Financial & Computer Services (P) Ltd

BANKERS

Canara Bank
Axis Bank
Au Small Finance Bank

REGISTERED OFFICE

24, Ashoka Chambers,
5-B, Rajindra Park,
Pusa Road, New Delhi-110060

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NOTICE

Dear Member(s),

NOTICE is hereby given to the shareholders (the "Shareholders" or the "Members") of SMC Credits Limited (the "Company") that the **34th Annual General Meeting ('AGM')** of the Company will be held on **Wednesday, 30th September, 2026 at 11.00 A.M. (IST)** at 24, Ashoka Chambers, 5-B, Pusa Road, Rajindra Park, Delhi-110060 to transact the following special business:

ORDINARY BUSINESS

1. **To receive, consider and adopt the financial statements of the company for the financial year ended 31st March, 2026, together with the report of the Board of Directors and Auditors' thereon.**

2. **To appoint the Director in place of Mr. Rajesh Goenka (DIN: 00298227) who retire by rotation and being eligible, offer himself for re-appointment and such reappointment shall not be deemed to constitute a break in his tenure as Whole Time Director.**

For and on behalf of the Board
SMC CREDITS LIMITED

Rajesh Goenka
Whole Time Director & CFO
DIN: 00298227

Place: New Delhi
Date: August 14, 2026

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Every member entitled to vote at the meeting or on any resolution to be moved thereat shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days' notice in writing of the intention so to inspect is given to the Company.

4. In pursuance of Sections 112 & 113 of the Act, representatives of the members may be authorised for the purpose of voting through remote e-voting or for participation and voting in the AGM. In this regard a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative is required to be provided to the Scrutinizer and the same can be shared via email on neerajarora.pcs@gmail.com with a copy marked to evoting@nsdl.com.

5. Members / Proxies should fill the attendance slip for attending the AGM. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. Relevant documents referred to in the accompanying Notice, if any, are open for inspection by the members at the Registered Office of the Company on all working days between 9:30 a.m. to 11:30 a.m., except Saturdays, up to the date of the AGM.

8. Members may please note that this Notice has been uploaded on the Company's website at www.smccredits.com**,** website of the Stock Exchange i.e. BSE Ltd at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com

9. In terms of the MCA Circulars and SEBI Circulars, the Company has sent the Notice of AGM only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who

have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

i. Shareholders holding shares in physical form, are requested to register/ update their email addresses by submitting physical copy of Form ISR-1 to the RTA along with relevant documents at below mentioned address:
BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.
BEETAL HOUSE, 3" Floor, 99 Madangir, Behind LSC Near Dada Harsukhdas Mandir, New Delhi-110062

ii. Shareholders holding shares in dematerialized form, are requested to register/ update their email addresses with the Depository Participants with whom the demat account is maintained.

10. Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts if not yet updated. Members holding shares in physical form can submit their PAN details to RTA and/or the Company.

11. Pursuant to Section 72 of the Companies Act, 2013, read in conjunction with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members are provided the opportunity to make nominations concerning the shares held by them. Members who have not yet registered their nominations are hereby urged to do so by submitting Form No. SH 13. This form can be obtained from the Company's website at www.smccredits.com.

12. Members are requested to note that SEBI vide circular dated January 25, 2022 has mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing service requests for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition purposes. Members holding shares in physical mode are requested to get their holdings converted into dematerialised mode.

13. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company at its email id www.smccredits.com in at least a week in advance, so that relevant information may be made available, if the Company permits such information to be furnished.

14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA i.e. Beetal Financial & Computer Service Private Limited, for consolidation into a single folio.

15. **Voting through electronic means:** In compliance with 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 the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL on the resolution set forth in this Notice, from a place other than the venue of the Meeting **(Remote e-voting)**

(a) The Company has fixed **Wednesday, September 23, 2026** as the **Cut-off Date** for remote e-voting. The voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

(b) The remote e-voting period begins on **Sunday, September 27, 2026 at 9:00 a.m. (IST) and ends on Tuesday, September 29, 2026 at 5:00 p.m. (IST).** During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the Cut-off Date may cast their votes electronically.

(c) The remote e-voting module shall be disabled **after 05:00 p.m. (IST) on Sunday, September 29, 2026**. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

(d) The members who have cast their votes through remote e-voting facility may also attend the AGM but shall not be entitled to cast their vote again. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

(e) The Company has appointed M/s Neeraj Arora & Associates, Practising Company Secretaries to act as the Scrutinizer, to scrutinize the e-voting process before the AGM as well as physical voting at the AGM in a fair and transparent manner.

(f) The results of the resolution passed at the AGM of the Company will be declared within 2 working days from the conclusion of AGM. The Results declared along with the Scrutinizer's report shall be placed on Company's website and shall also be communicated to the stock exchanges.

(g) The Members desirous of voting through remote e-voting are requested to refer to the detailed procedure given hereinafter.

16. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

	NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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. NSDL and CDSL.

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

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to neerajarora.pcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre – Deputy Vice President, NSDL at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 www.smccredits.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to www.smccredits.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ATTENDANCE SHEET

34th ANNUAL GENERAL MEETING

WEDNESDAY, 30th SEPTEMBER, 2026, AT 11:00 A.M. AT

24, ASHOKA CHAMBERS, 5-B, RAJINDRA PARK, PUSA ROAD, NEW DELHI 110060

Name of the Shareholder / Proxy		
Folio No./DP ID & Client ID		
Address		
E-mail ID		

I/ We hereby record my / our presence at the Annual General Meeting of the Company.

Place:
Date:

____
(Signature of the shareholder/proxy* to be signed at the attendance counter)

*Delete whichever is not applicable

Note: Please complete this Attendance Slip and handover at the entrance gate. Only Members or their Proxies are entitled to be present at the Meeting.

SMC CREDITS LIMITED
CIN: L65910DL1992PLC049566
Registered Office: 24, Ashoka Chambers, 5-B, Rajindra Park, Pusa Road, New Delhi 110 060

PROXY FORM

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

Name of the Member(s): **E mail id:**
Registered Address: **Folio No/ Client Id:**
DP Id:

I/We, being the member(s) of holding ……………………………… shares of SMC Credits Limited, hereby appoint:

1. ______________________ of ________________having e-mail ID _____________or failing him
2. ______________________ of________________ having e-mail ID _____________or failing him
3. ______________________ of________________ having e-mail ID _____________or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held **September 30, 2026 at 11:00 A.M. at 24, Ashoka Chambers, 5-B, Rajindra Park, Pusa Road, New Delhi-110060** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution	For	Against
To receive, consider and adopt the financial statements of the company for the financial year ended 31st March,2026, together with the report of the Board of Directors and Auditors' thereon.		
To appoint the Director in place of Mr. Rajesh Goenka (DIN: 00298227) who retire by rotation and being eligible, offer himself for reappointment and such reappointment shall not be deemed to constitute a break in his tenure as Whole Time Director.		

Signed this______ day of_________ 2026

____
Signature of Shareholder

Please Affix Re.1/- Revenue Stamp

Signature of first proxy holder   Signature of second proxy holder   Signature of third proxy holder

Notes:

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

(2) A Proxy need not be a member of the Company.

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

*(4) This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 34th (Thirty Fourth) Board's Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2026.

1. FINANCIAL PERFORMANCE

The financial performance of your Company for the Financial Year ended March 31, 2026 along with comparative figures for the previous year is summarized below:

Particulars	31st March, 2026	31st March, 2025
	(Amount in Lacs)	**(Amount in Lacs)**
Profit before depreciation and taxation	3994.09	1562.38
Less: Depreciation	4.56	4.18
Provision for Tax		
a) Tax Expenses	735.81	306.58
b) Prior period tax	-	-
Profit after depreciation and taxation	3254.62	1251.62

2. STATE OF THE COMPANY'S AFFAIRS

The operating income of the Company is derived from a mix of dividend, interest Income and other income. The profit after tax for the financial year 2025-26 is Rs. 3254.62 (in lacs) as compared to Rs. 1251.62 (in lacs) in the financial year 2024-25 showing an significant increase of 160.03%.

3. DIVIDEND AND RESERVES

Your Board of Directors do not recommend any dividend and have not transferred any amount to reserve for the financial year ended 31st March, 2026.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

5. TRANSFER TO IEPF

During the year under review, the Company did not transfer any sums to unpaid or unclaimed dividend account of the Investor Education and Protection Fund (IEPF). Further, pursuant to the provisions of the Act read with the IEPF Rules, the shares on which dividends have not been claimed for seven consecutive years have to be transferred in favor of IEPF authority. During the year under review, the Company has not transferred equity shares in the demat account of IEPF authority.

6. DEPOSITS

Your Company has not accepted any deposits from the public during the year under review, falling within the ambit of Section 73 of the Companies Act, 2013 (“Act”) read with the Companies (Acceptance of Deposits) Rules, 2014.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the financial year 2025-26, no changes took place in composition of directors and key managerial personnel.

8. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act read with Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. Based on the aforesaid declarations received from Independent Directors, the Board of Directors confirms that Independent Directors of the Company fulfill conditions specified in Section 149(6) of the Act read with Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management.

9. DIRECTORS’ RESPONSIBILITY STATEMENT

Your Company’s Directors make the following statement in terms of sub-section (5) of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

(a) In the preparation of the annual accounts for the year ended 31st March, 2026, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) Such accounting policies have been selected and applied consistently and judgments and estimates are made which were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit or loss of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for the 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 fraud and other irregularities;

(d) The financial statements for the financial year ended 31st March, 2026 have been prepared on a 'going concern' basis;

(e) Proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and

(f) The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

10. INTERNAL FINANCIAL CONTROL

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditor. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets the statutory auditors of the Company to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major- observations periodically.

11. BOARD MEETINGS, COMMITTEES MEETINGS AND ANNUAL GENERAL MEETING

During the financial year 2025-2026, 5 (Five) Board Meetings were held on 30th May 2025, 20th June, 2025, 13th August 2025, 14th November 2025 and 14th February 2026. The details of meetings including dates of meetings indicating the number of meetings attended by each director are given in the Corporate Governance Report. The particulars of meeting of all Committees held during the financial year ended 31st March, 2026 are also disclosed in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and the SEBI Listing Regulations.

During the financial year 2025-26, no Extra Ordinary General Meetings was held and the 33rd Annual General Meeting of the members of the Company was held on 30th September, 2025.

12. AUDITORS AND AUDITORS' REPORT

i) Statutory Auditors

Members of the Company at their 33rd Annual General Meeting (AGM) held on September 30, 2025 had appointed M/s Kumar Ashwani & Associates, Chartered Accountants (FRN: 008891N) as the Statutory Auditors of the Company for a term of three consecutive years from the conclusion of the 33rd AGM until the conclusion of the 36th AGM of the Company pursuant to Section 139 of the Act.

The Statutory Auditors have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and that they hold a valid certificate issued by the Peer Review Board of Institute of Chartered Accountants of India.

The Auditors' Report for the financial year 25-26 is self- explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

ii) Secretarial Auditors

The Members at their 33rd Annual General Meeting (AGM) held on September 30, 2025 had appointed M/s Neeraj Arora & Associates, Company Secretaries (M. No. 10781 & CP No. 16186), as Secretarial Auditors of the Company to hold office for a period of 5 (Five) consecutive years from the conclusion of 33rd AGM till the conclusion of 38th AGM of the Company to be held in the year 2030.

The Secretarial Auditors have confirmed that they are not disqualified from continuing as Secretarial Auditors of the Company and that they hold a valid certificate issued by the Peer Review Board of Institute of Company Secretaries of India.

The Secretarial Audit Report for the Financial Year ended March 31, 2026 is attached to this report as "**Annexure II**". The Secretarial Audit Report does not contain any qualification, reservation, adverse remarks or disclaimers.

The Company has no material unlisted subsidiaries incorporated in India which need to undertake Secretarial Audit, in terms of Regulation 24A of the SEBI Listing Regulations.

iii) Cost Records

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit & maintenance of Cost Records were not applicable on the Company during Financial Year 2025-26.

13. SUBSIDIARY, ASSOCIATES COMPANIES & JOINT VENTURES

The Company does not have subsidiaries, joint ventures or associate company/ies during the year under review.

14. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. Further, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large.

Prior omnibus approval is obtained from the Audit Committee in its meeting held on February 14, 2026 for the related party transactions which are foreseen and repetitive in nature. A statement of all related party transactions are placed before the Audit Committee on quarterly basis for review.

The Company has a policy on related party transactions which is available on the Company's website at www.smccredits.com. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all related party transactions.

In terms of Section 134(3)(h) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Form AOC -2 is annexed in "**Annexure-I".** For details on related party transactions, members may also refer to the notes of the Financial Statements.

15. DISCLOSURES

a. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION186 OF THE COMPANIES ACT, 2013

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans in ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013 with respect to loans and guarantees. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been made in this Report.

Particulars of investments, if any, as covered under the provisions of Section 186 of the Act are given in the notes forming part of the financial statements.

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

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given below:

i) Conservation of Energy

Steps taken for Conservation of Energy	As the Company is not involved in any industrial or manufacturing activities, the operations of the Company are not energy-intensive. However, wherever possible, the Company endeavor to look for possible ways and means to achieve energy conservation in every possible way
Steps taken for utilizing alternate sources of energy	
Capital investment on energy conservationequipment	

i) Technology Absorption

Efforts in brief made towards technology absorption	The business of company is not technology intensive, however, Company always follows a practice of upgrading its equipments on an ongoing basis.
Benefits derived	NIL
Expenditure incurred on Research and Development	
Details of technology imported, if any	
Year of import	
Whether imported technology fully absorbed	
Areas where absorption of imported technology has not taken place, if any	

ii) **Foreign Exchange Earnings and Outgo –** During the year under review, the Company did not have any foreign exchange expenditure and foreign exchange earnings.

c. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are form part of the Annual Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

d. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION,PROHIBITION AND 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 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

The Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The following is a summary of sexual harassment complaints received and disposed of during the Financial Year 2025-26:

- Number of complaints received during the year: NIL
- Number of complaints disposed of during the year: NIL
- Number of complaints pending for more than 90 days: NIL

e. COMMITTEES OF THE BOARD

The Board has constituted an Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee in terms of the requirements of the Act read with the Rules made thereunder and/ or the SEBI Listing Regulations. The details of Board and its Committees, including number of meetings are given in the Corporate Governance Report.

f. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

During the year under review, no material changes have occurred and commitments made, affecting the financial position of the Company during the year and between the end of the year till the date of this report.

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report is given separately and forming part of this Annual Report.

17. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set-out by SEBI. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the detailed report on Corporate Governance is given separately and forms part of Annual Report and the certificate obtained from M/s Neeraj Arora & Associates, Practising Company Secretaries confirming compliance of the conditions of corporate governance is attached to this Annual Report.

18. PERFORMANCE EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by the SEBI dated January 05, 2017, performance evaluation of the board, its committees and individual directors has been duly done. The performance of the individual directors was evaluated on parameters, such as meeting attendance, participation and contribution, responsibility towards stakeholders and independent judgment.

The statement including the manner in which the evaluation exercise was conducted is included in the Corporate Governance report forming part of this annual report.

Further, the Committees were evaluated in terms of receipt of appropriate material for agenda topics in advance with right information and insights to enable them to perform their duties effectively, review of committee charter, updation to the Board on key developments, major recommendations & action plans, stakeholder engagement, devoting sufficient time & attention on its key focus areas with open, impartial & meaningful participation and adequate deliberations before approving important transactions & decisions.

The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

19. NOMINATION & REMUNERATION POLICY

Pursuant to provisions of the Act and SEBI Regulations, the Nomination and Remuneration Committee of your Board has already formulated a Nomination and

Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel ('KMP'), senior management and other employees of your Company and to ensure diversity at the Board level.

The Nomination and Remuneration policy may be accessed from Company's website at the link www.smccredits.com .

20. CORPORATE SOCIAL RESPONSIBILITY

Since the Company is not falling under any of the criteria provided under Section 135 ofthe Companies Act, 2013 and rules made thereunder, the provisions of Corporate Social Responsibility are not applicable to the Company during the year under review.

21. CHANGES IN SHARE CAPITAL

There is no change in the share capital of the company during the year under review.

22. PREVENTION OF INSIDER TRADING

The Company has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and to protect the interest of shareholders at large, prevent misuse of any unpublished price sensitive information and prevent any insider trading activity by dealing in shares of the Company by its Designated Persons and their immediate relatives in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The said Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons, other employees and their immediate relatives.

23. CODE OF CONDUCT

In compliance with Regulation 26(3) of Listing Regulations and the Companies Act, 2013, the Company has framed and adopted Code of Conduct ('the Code'). The code is applicable inter-alia to all Directors, Independent Directors and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code is available on the Company's website All the Board Members and the Senior Management personnel have confirmed compliance with the Code as on 31st March, 2026. A declaration to this effect, signed by the Chairman in terms of Listing Regulations form part of the Corporate Governance Report.

24. ANNUAL RETURN

In accordance with Section 92(3) and 134(3)(a) of the Act, Annual Return in Form MGT-7, is available on the Company's website at www.smccredits.com.

25. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meeting of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) for the financialyear ended March 31, 2026.

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put inplace a vigil mechanism for Directors, Employee and other person dealing with the Company for reporting illegal or unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors, employees or other persons who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

The Company has formulated Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any and the Company is adhering to the same.

The Whistle Blower Policy is available on the Company's website, which may be accessed at the link: www.smccredits.com

27. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 the Company has framed Risk Management Policy which lays down the framework to define, assess, monitor and mitigate the business, operational, financial and other risks associated with the business of the Company. During the year under review, the Company has not identifiedany element of risk which may threaten the existence of the Company.

28. LISTING FEES

The Company's shares are listed on BSE Limited. The Company affirms that the annual listing fees for the year 2025-26 to BSE Limited has been paid.

29. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961.
- The Company had not issued equity shares with differential rights as to dividend, voting or otherwise.
- The Company had not issued shares (including sweat equity shares) to employees of the Company under any scheme or Employees' Stock Options Plan.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There were no outstanding material litigations as on March 31, 2026. Details of Statutory dues/tax matters are disclosed in the financial statements.
- As on the date of the Report any application is not pending under the Insolvency and Bankruptcy Code, 2016 and the Company did not file any application under (IBC) during the Financial Year 2025-26.

- The Company has not entered in any one time settlement with any of the Banks/Financial Institutions and therefore, the relevant disclosures are not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for company's customer, suppliers, Bankers and Central and State Governments for their continued guidance, support and cooperation.

Your Directors also place on the record their deep appreciation of contribution made by employees at all levels and also expresses their gratitude to the shareholders for their valuable and un-stinted support extended to the company throughout the year.

For and on behalf of the Board

Rajesh Goenka
Chairman & CFO
DIN: 00298227

New Delhi
August 14, 2026

Annexure-I

Form No. AOC-2

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

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

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

2. Details of Material contracts or arrangements or transactions at Arm's length basis.: NIL

Sl. No.	Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board / Audit Committee	Amount paid as advances, if any
NIL							

For and on behalf of the Board

Rajesh Goenka
Chairman & CFO
DIN: 00298227

New Delhi
August 14, 2026

Annexure II

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SMC CREDITS LIMITED
CIN: L65910DL1992PLC049566
24, Ashoka Chambers, 5-B, Rajindra Park,
Pusa Road, New Delhi-110060

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

We report that-

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

b) 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.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards etc. are the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

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(s) provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment which has been generally complied with.

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d) *The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, which has been generally complied with.

No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India which has been generally complied with and the compliances can be further strengthened.

During the Audit Period, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

The Company is engaged in the business of carrying NBFC activities. As informed by the Management, the Reserve Bank of India Act, 1934 and rules/regulations made thereunder as applicable to the NBFC are applicable to the Company. We have also examined on test check basis the returns filed by the Company with the Reserve Bank of India (‘RBI’). The Company is generally regular in filing the Forms, Returns etc. with the RBI and the compliances needs to be further strengthened.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company could be further strengthened to ensure compliance of laws specifically applicable to it.

We further report that the Board of Directors of the Company was duly constituted as on March 31, 2026 with proper balance of Executive Directors, Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent to all the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with majority consent and therefore, no dissenting views were captured and recorded as part of the minutes.

For Neeraj Arora & Associates
Company Secretaries
Firm Registration No.- S2019DE706400
Firm Peer Review No.- 3738/2023

Neeraj Arora
Proprietor
CP No.: 16186
UDIN - F010781H001116193

New Delhi
August 14, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC REVIEW – GLOBAL ECONOMY

Financial Year 2025-26 commenced against a backdrop of moderating but still elevated geopolitical tensions, gradually easing inflationary pressures and improving supply chain conditions. The prolonged Russia-Ukraine conflict continued to weigh on global economic sentiment, while renewed hostilities in the Middle East in early 2026 added fresh uncertainty. Trade tensions, particularly tariff measures introduced by the United States administration, imparted significant policy uncertainty on global growth and investment.

According to the International Monetary Fund (IMF) World Economic Outlook (April 2026), global growth is projected at 3.1 percent in 2026 and 3.2 percent in 2027. Global headline inflation is expected to tick up modestly in 2026 before resuming its decline in 2027. Pressures are concentrated in emerging market and developing economies, especially commodity importers with pre-existing vulnerabilities.

World Economic Outlook Growth Projections

Particulars	2025 (Actual/Est.)	2026 (Projected)	2027 (Projected)
World	3.3%	3.1%	3.2%
Advanced Economies	1.9%	1.5%	1.6%
India	6.5%	6.5%	6.2%
Emerging Market and Developing Economies	4.2%	3.9%	4.1%

Source: IMF World Economic Outlook, April 2026.

FINANCIAL SERVICES – NBFC SECTOR

Non-Banking Financial Companies (NBFCs) continue to play an increasingly important role in meeting the credit needs of the Indian economy by extending last-mile credit to hitherto unbanked areas and providing niche financing across sectors ranging from housing and infrastructure to agriculture and micro-loans. NBFCs bring more borrowers into the formal financial institutional network, enhancing the reach of the credit channel of monetary transmission.

The NBFC sector has demonstrated robust resilience and growth momentum in FY 2025-26. The cumulative value of NBFC loans was close to ₹52 trillion as of December 2024 and is expected to breach ₹60 trillion by FY26. Credit growth within the sector is projected to sustain an annual pace of 15–17% through FY28, driven by continued demand in retail lending segments such as housing, vehicle finance, and MSME credit. Large and mid-tier NBFCs backed by diversified parent organisations, efficient risk frameworks, and enhanced use of analytics and digital onboarding tools have attracted significant investor interest, with private credit inflows into Indian financial services touching a record US$9 billion in the first half of 2025.

The sector has continued to leverage digitalisation to offer alternative financing options, especially to MSMEs and retail borrowers who face challenges in obtaining loans from traditional banks. Demand for credit has remained strong in India, particularly among micro, small and medium enterprises (MSMEs) and retail segments. The Government of India's reform initiatives — including the Pradhan Mantri Mudra Yojana (PMMY), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), ONDC, and the National Infrastructure Pipeline under the Gati Shakti programme — continue to underpin credit demand.

INDIAN ECONOMIC OVERVIEW

The Indian economy has exhibited sustained strong performance in FY 2025-26. According to the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI) in June 2026, real GDP grew at 7.7% in FY 2025-26, accelerating from 7.1% in FY 2024-25. This was above the First Advance Estimate of 7.4% and in line with the Second Advance Estimate of 7.6%, reflecting a broad-based recovery driven by robust private consumption, strong public capital expenditure and buoyant services sector activity. Nominal GDP grew by 8.9% during FY 2025-26.

Quarterly performance was notably consistent: real GDP grew 7.8% in Q1, 8.2% in Q2 (as per RBI Financial Stability Report, December 2025), 7.8% in Q3 (October–December 2025), and 7.8% in Q4 (January–March 2026). The manufacturing sector recorded double-digit growth for the second time in three financial years after rebasing, establishing itself as a key pillar of India's economic resilience. The 'Trade, Repair, Hotels, Transport, Communication and related Services' sector attained a growth rate of 10.1% at constant prices in FY 2025-26.

Domestically, real Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) both exhibited more than 7% growth in FY 2025-26. India's CPI inflation for FY 2025-26 averaged approximately 2.1%, well below the RBI's 4% target, creating substantial headroom for monetary policy easing. The RBI undertook multiple rate cuts during FY 2025-26, with the repo rate at 6.25% as of February 2025 and further reductions expected through FY26.

OUTLOOK

India's domestic economic activity remains strong and is expected to continue on a robust trajectory. The RBI has projected real GDP growth for FY 2026-27 at 6.9%, with Q1 at 6.8%, Q2 at 6.7%, Q3 at 7.0%, and Q4 at 7.2%. The Economic Survey 2025-26 projected FY 2026-27 real GDP growth in the range of 6.8% to 7.2%, reflecting continued momentum in public infrastructure spending, improving private investment conditions, and sustained services sector strength.

India continues to be the world's fastest-growing major economy. The IMF, in its April 2026 World Economic Outlook, projects India's calendar year 2026 GDP growth at 6.5%. India's demographic advantage, expanding digital economy, manufacturing growth driven by the China+1 supply chain diversification trend, and infrastructure development initiatives provide a strong structural foundation. Foreign exchange reserves stood at USD 697.1 billion as of April 2026, and net FDI has shown improvement, affirming India's position as a priority destination for long-term global investment.

The measures announced in the Union Budget 2026-27, including continued capex thrust and GST rationalisation, augur well for improving domestic consumption. Well-coordinated fiscal and monetary policy working in tandem is expected to generate improved outcomes in terms of a better growth-inflation balance. However, the renewed conflict in the Middle East, elevated energy and commodity prices, and global trade policy uncertainty remain key risks to monitor.

INDUSTRY STRUCTURE AND DEVELOPMENTS

INDUSTRY INSIGHTS

Non-Banking Financial Companies (NBFCs) continue to enhance the mainstream banking system in the financial intermediation process and financial inclusion. NBFCs play a significant role in promoting inclusive growth by providing financial services to less-banked customers as well as the unorganised sector, including MSMEs, through efficiency and diversity. The NBFC sector has recorded higher credit growth than Scheduled Commercial Banks (SCBs) over the past several years, and this outperformance continued in FY 2025-26.

The RBI's Scale-Based Regulation (SBR) framework, effective since October 2022, has brought regulatory rigour by categorising NBFCs into four layers based on size, complexity, and systemic importance. Corporate governance norms now mandate appointment of independent directors, risk committees, and audit oversight functions comparable to banking standards, reflecting the RBI's recognition that NBFCs have become systemically important institutions.

DIVERSIFIED OFFERINGS

NBFCs offer a wide range of financial products and services including personal loans, commercial vehicle finance, housing loans, infrastructure finance, gold loans, microfinance, money transfer, insurance, education funding, and many more customised finance solutions. NBFC MSME AUM is projected to cross ₹5.3 lakh crore by FY26, supported by a 32% CAGR from FY21 to FY24, significantly outpacing bank growth rates. NBFCs hold a 45% market share in micro-LAP (loans below ₹10 lakh ticket size), demonstrating their dominant position in underserved segments.

ROBUST OPERATIONAL MODEL AND REGULATORY COMPLIANCE

With NBFCs focusing on lending to unorganised and underserved segments, a robust risk management strategy remains critical for business sustainability. The RBI's existing framework includes minimum Net Owned Funds requirements, prudential risk weights, and enhanced reporting obligations. The April 2025 rollback of increased risk weights on NBFC lending by the RBI has provided relief to the sector, supporting credit flow and improving funding economics. NBFCs continue to manage credit risk, liquidity risk, operational risk, and interest rate risk through a combination of internal controls, digital monitoring tools, and regulatory compliance.

SEEKING LONG-TERM GROWTH OPPORTUNITIES

NBFCs have contributed towards the development of the country's infrastructure and continue to facilitate credit expansion across microfinance loans, personal loans, and auto finance loans. The digital transformation journey of NBFCs in India underscores the sector's adaptability and resilience. The sector is poised for continued growth driven by government commitment to financial inclusion, RBI's monetary easing cycle lowering borrowing costs, expanded access to External Commercial Borrowings, and technology-driven reduction in cost-to-serve models. Industry observers expect NBFC sector profits to nearly double by FY30.

CAPITAL MANAGEMENT

While adhering to the guidelines laid down by the RBI from time to time, the Company works towards maximising the returns on capital employed through an efficient capital management strategy. The Company's capital adequacy has remained well above regulatory requirements, supported by strong profitability and prudent balance sheet management.

SWOT ANALYSIS

Strengths

- Simplified and prompt loan request appraisals and disbursements.
- Innovative resource mobilisation techniques and prudent fund management practices.
- Strong dividend income from diversified investments in shares and securities.
- Robust internal controls and compliance framework aligned with RBI's Scale-Based Regulation.

Weakness

- Regulatory restrictions – continuously evolving government regulations may impact operations.
- Uncertain economic and geopolitical environment, particularly the renewed Middle East conflict.
- Funding concentration risk and reliance on market borrowings.

Opportunities

- Use of digital solutions for business operations, customer onboarding and collections.

- Expanding MSME and retail credit market supported by government financial inclusion programmes.
- RBI monetary easing cycle improving funding cost economics for NBFCs.
- Growing demand for credit in Tier 2 and Tier 3 cities and rural markets.

Threats

- High cost of funds for smaller NBFCs amid tight liquidity conditions.
- Rising Non-Performing Assets (NPAs), particularly in unsecured retail lending segments.
- Restrictions on deposit-taking NBFCs.
- Competition from other NBFCs, banks, and new-age fintech lenders.
- Global geopolitical risks, particularly rising energy prices due to Middle East conflict.

RISKS AND CONCERNS

SMC Credits Limited maintains constant vigilance over both external environments and internal risks, ensuring it remains well-prepared with effective risk mitigation measures to address potential threats. This proactive approach allows the Company to capitalise on opportunities arising from various events and effectively navigate challenges posed by potential threats. Some of the identified risks and concerns include:

- A slowdown in the global and Indian economy, potentially triggered by the ongoing Middle East conflict, elevated energy prices, and escalating geopolitical tensions.
- Renewed inflationary pressures in the Indian economy due to higher global commodity and energy prices, which may constrain monetary policy easing headroom.
- A potential slowdown in the real estate sector, which could impact collections and loan book growth.
- The possibility of facing challenges in raising funds at competitive borrowing costs, particularly for smaller and mid-sized NBFCs, which may impact overall profitability and growth.
- Execution risks associated with the Company's business verticals and newly launched or emerging unsecured loan products.
- Regulatory compliance requirements under RBI's evolving Scale-Based Regulation framework.

By closely monitoring these factors, SMC Credits Limited endeavours to proactively address and mitigate potential risks while seizing opportunities for sustainable growth and maintaining a robust financial position.

FINANCIAL PERFORMANCE

The Company's major source of earnings is dividend income, which comes from investments in shares and securities. During the year under review, the Company achieved a significantly improved financial performance in FY 2025-26.

The highlights of the financial performance of your Company for the year ended 31st March, 2026, along with the previous year's figures, are awaited upon finalisation of accounts. The Company's detailed standalone financial statements will reflect performance for FY 2025-26.

Key Financial Performance Highlights (Standalone) – FY 2025-26 vs FY 2024-25

Particulars	31st March, 2026 (Amount in Lakhs)	31st March, 2025 (Amount in Lakhs)
Profit before depreciation and taxation	3994.09	1,562.38
Less: Depreciation	4.56	4.18
Add: Exceptional Items	-	-
Current Tax	735.81	306.58

Particulars	31st March, 2026 (Amount in Lakhs)	31st March, 2025 (Amount in Lakhs)
Prior Period Tax	-	-
Profit after depreciation and taxation	3254.62	1,251.62

Summarised Standalone Financial Performance (Amount in Crores)

Particulars	FY 2025-26	FY 2024-25	Change (%)
Revenue from Operations	25.43	15.31	66.10% Increase
Other Income	17.01	3.70	359.73% Increase
Total Income	42.44	19.01	123.25% Increase
Employee Benefit Expense	0.46	0.40	15.00% Increase
Finance Cost	0.51	1.23	58.54% Decrease
Depreciation and Amortization	0.05	0.04	25.00% Increase
Other Expense	1.53	1.75	12.57% Decrease
Total Expenses	2.54	3.42	25.73% Decrease
Profit Before Tax	39.90	15.59	155.93% Increase
Tax Expense	7.35	3.07	139.41% Increase
Profit After Tax	32.55	12.52	159.98% Increase
Earnings Per Share (₹)	12.99	5.00	159.80% Increase

Analytical Ratios: The Company is a Non-Core Investment Company (CIC), not accepting deposits from the public and is a non-systemically important NBFC. The Company is not exposed to any regulatory imposed capital requirements. Thus, the following analytical ratios are not applicable to the Company:

- Capital to risk-weighted assets ratio (CRAR)
- Tier I CRAR
- Tier II CRAR
- Liquidity Coverage Ratio

INTERNAL CONTROL SYSTEMS

We have instituted the three lines of defence model, viz. (i) management and internal control measures, (ii) financial controls, risk management practices, security measures and compliance oversight, and (iii) a robust internal audit function providing the third level of defence.

The Company has proper and adequate systems of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorised use or disposition, and that transactions are recorded and reported. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Company has an independent internal management assurance function which is commensurate with its size and scale. It evaluates the adequacy of all internal controls and processes, and ensures strict adherence to clearly laid down processes and procedures as well as to the prescribed regulatory and legal framework.

HUMAN RESOURCES POLICIES

The Company has a friendly HR policy and takes care of and redresses all concerns of its employees. For the Company, the stakeholders are the biggest assets, and for all-round development of employees at all levels, various initiatives are undertaken at regular intervals.

INDUSTRIAL RELATIONS

The Company has maintained healthy industrial relations which were cordial during the period under review.

ACKNOWLEDGEMENT

The Directors express their sincere thanks and gratitude for the guidance, support, and co-operation extended by Banks, government authorities/departments, and all other organisations.

CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Important developments that could affect the Company's operations include a downtrend in the financial services industry, global or domestic or both, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other factors. Actual results might differ substantially or materially from those expressed or implied. This report should be read in conjunction with the financial statements included herein and the notes thereto.

For and on behalf of the Board

Rajesh Goenka
Chairman & CFO
DIN: 00298227

New Delhi
August 14, 2026

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the financial year ended 31st March 2026, in terms of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"/ "SEBI Listing Regulations").

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders. The Company believes that good corporate governance emerges from the application of best and sound management practices and compliances with the laws coupled with adherence to the highest standards of transparency and business ethics. An effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The governance structure at SMC Credits Limited is based on the principles of providing adequate authority to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and utmost responsibility so as to meet the expectation of all the stakeholders.

2. BOARD OF DIRECTORS

A) Composition and Category of Directors

The Board of the Company is comprised of Executive and Non-Executive Directors including Independent Directors. As on 31st March 2026, the composition of the Board is as under:

Name of Directors with DIN	Category of Directorship	Details of Directorship(s)		Committee(s)* Membership (excluding Private, Foreign and Section 8 Companies)		Number of Share & convertible instruments held
		Public Companies	Other (including foreign Companies)	Number of Committee Membership held	Number of Committee Chairmanships held	
Mr. Rajesh Goenka (DIN: 00298227)	Chairman, Whole-time Director & CFO	3	1	0	0	NIL
Ms. Jyoti Rajshree (DIN: 09311715)	Non-Executive & Independent	1	0	2	2	NIL

Mr. Rajesh Ramnani (DIN: 00533679)	Non-Executive & Independent	2	2	4	1	NIL
Mr. Manish Manwani (DIN: 03111938)	Non-Executive & Independent	1	0	2	0	NIL

**As required by Regulation 26 of Listing Regulations, the disclosure includes memberships/chairmanships of the Audit Committee and Stakeholders' Relationship Committee*

The Composition of the Board is in accordance with Regulation 17 of SEBI LODR Regulations.

The number of Directorships, Committee Memberships and Chairmanships of all Directors are within the respective limits prescribed under the Companies Act, 2013 (the "Act") and SEBI LODR Listing Regulations.

The maximum number of Directorship held by all of your directors is well within the limit of 7 listed entities and none of the Directors of your Company serves as an Independent Director in more than 7 listed entities.

Directorship in other listed Companies

Sr. No.	Name of Directors	Names of companies & categories of Directorship
1.	Mr. Rajesh Goenka	NIL
2.	Ms. Jyoti Rajshree	NIL
3.	Mr. Rajesh Ramnani	GVP Infotech Limited - Director
4.	Mr. Manish Manwani	NIL

The necessary disclosures regarding committee positions in other public companies as on 31st March, 2026 have been made by the Directors. None of the Director is related to each other.

B) Chart matrix setting out the skills/expertise/competence of the Board of Directors:

The Board has identified the following core skills, expertise, and competencies as required in the context of the business of the Company and the sector in which the Company is operating. However, absence of mention of a skill/expertise/competency against a director's name does not indicate that Director does not possess that expertise or competency or skill:

Sr. No	Skills/ Expertise/ Competence identified by the Board	Mr. Rajesh Goenka	Ms. Jyoti Rajshree	Mr. Rajesh Ramnani	Mr. Manish Manwani
1.	Knowledge/Understanding of the Business of the Company, the industry/ sector to which it relates with respect to relevant, rules, regulations, and status of compliances thereof, best corporate governance practice, business ethics, and structures to manage risk and crisis	√	√	√	√

2.	Behavioral Skills-attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders	√	√	√	√
3.	Strategic thinking and decision Making	√	√	√	√
4.	Financial Skills/ Understanding of regulatory environment/ Economic knowhow	√	√	√	√
5.	Professional skills and knowledge to assist the ongoing aspects of the business	√	√	√	√

C) Board Meeting and Attendance:

During the financial year 2025-26, 5 (five) Board Meetings were held on 30th May 2025, 20th June 2025, 13th August 2025, 14th November 2025 and 14th February 2026. A necessary quorum, as per Regulation 17(2A) of SEBI Listing Regulations, was present for all meetings. The maximum interval between any two meetings was within the maximum allowed gap pursuant to the Companies Act, 2013 and the SEBI Listing Regulations.

The attendance of Directors at the Board Meetings during the financial year 2025-26 and the last Annual General Meeting held on 30th September 2025, is as under:

Name of Directors and Directors Identification Number	Date of Appointment	Date of Appointment in the Current term	Category of Directorship	No. of the Board meeting held	No. of Board Meeting attended	Atten-dance at the last AGM
Mr. Rajesh Goenka (DIN: 00298227)	08.09.2021	08.09.2024	Chairman, Whole-time Director & CFO	5	5	Yes
Ms. Jyoti Rajshree (DIN: 09311715)	08.09.2021	08.09.2021	Non-Executive & Independent	5	5	Yes
Mr. Rajesh Ramnani (DIN: 00533679)	18.07.2022	18.07.2022	Non-Executive & Independent	5	5	Yes
Mr. Manish Manwani (DIN: 03111938)	25.04.2024	25.04.2024	Non-Executive & Independent	5	5	Yes

D) Independent Directors confirmation:

The Independent Directors have confirmed that they meet the criteria of independence under Section 149(6) of the Act and Regulations 16(1)(b) as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, with effect from 1st April 2022, and Regulation 25(8) of SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Sub-Rule 3 of Rule 6 of the Companies (Appointment and Qualification of Directors), Fifth Amendment Rules, 2019, which has come into force with effect from 1st December 2019.

E) Information supplied to the Board of Directors:

During the financial year 2025-26, all necessary information as required under the applicable provisions of the Companies Act, 2013, Regulation 17(7) of the SEBI Listing Regulations 2015 & Schedule II Part A of SEBI Listing Regulations, and other applicable laws and rules were placed and discussed at the Board Meeting.

F) Separate Meeting of Independent Directors:

During the financial year under review, a separate meeting of the Independent Directors of the Company was held on 14th February 2026, in accordance with the applicable provisions of law. The Independent Directors, inter alia, considered and reviewed the following(s):

- Evaluated the performance of the Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the evaluation of the Executive Directors and Non-Executive Directors; and
- Assessed the quality, adequacy, and timeliness of the flow of information between the Management of the Company and the Board to enable the Board to effectively and reasonably discharge its responsibilities.

All Independent Directors were present at the Meeting.

G) Familiarization programme for Independent Directors:

Pursuant to Regulation 25(7) of SEBI LODR Regulations, the Company is required to familiarize the Independent Directors through various programs about the Company.

Upon appointment, each Independent Director is issued a formal Letter of Appointment setting out, *inter alia*, the terms and conditions of appointment, including their roles, functions, duties, responsibilities, and the expectations from them as members of the Board. They are also apprised of the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and other relevant statutory and regulatory requirements, including the compliances to be adhered to and the necessary declarations and affirmations required to be submitted.

The familiarization programme is designed based on the specific requirements of the Independent Directors and is periodically reviewed in consultation with them. The need for such programmes is also identified through the Board evaluation process. As part of the programme, the Independent Directors interact with the senior management team, including business and functional heads of the Company and its key subsidiaries, to gain a comprehensive understanding of the Company's business and operations. They are also provided with presentations at the meetings of the Board, its Committees, and the Independent Directors covering various aspects of the Company's business, industry developments, regulatory updates, strategy, governance, risk management, and other matters relevant to the effective discharge of their responsibilities.

The Independent Directors are also familiarize with the nature of the industry, products, markets, operations and its businesses, policies and regulatory aspects affecting the Company, etc. The details of the familiarization programme have been disclosed on the Company’s website, www.smccredits.com.

H) Evaluation of the Board's Performance:

The Nomination and Remuneration Committee has specified the criteria for performance evaluation of the Directors, the Board and its Committees. The Board is committed to evaluating its own performance as a Board and evaluating the performance of individual Directors, in order to identify strengths and areas in which it may improve functioning. Further, the overall effectiveness of the Board is measured to decide the appointments and re-appointments of Directors. The details of the Annual Board Evaluation process for Directors have been provided in the Board's Report.

The following are the major criteria applied for performance evaluation:

- attendance and contribution at Board and Committee meetings and application of his/her expertise, leadership qualities and knowledge to give overall strategic direction for enhancing the shareholders' value;
- his/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions; and
- his/her ability to monitor the performance of the management and satisfy himself/herself with the integrity of the financial controls and systems in place, etc.

Independent Directors' performance is evaluated also based on his/her help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and his/her ability to bring an objective view to the evaluation of the performance of the Board and the Management.

I) Code of Conduct:

The Company has adopted the "Code of Conduct for the Board Members and Senior Management Personnel" (the "Code"). The Code of Conduct contains the duties of the Independent Directors as laid down in the Act. The Code is available on the Company's website, www.smccredits.com.

All the Directors including the Chairman and Managing Director, and the Senior Management Personnel of the Company have given a declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of SEBI Listing Regulations during the year ended 31st March 2026.

The declarations signed by the Whole Time Director & CFO pursuant to Part D of Schedule V of SEBI Listing Regulations, 2015 regarding compliance with the Code of Conduct forms part of this Annual Report of the Company.

J) Terms and conditions of appointment of Independent Directors:

The terms and conditions of appointment of Independent Directors have been placed on the Company's website, www.smccredits.com.

K) Directors seeking appointment/re-appointment:

The details of Directors seeking appointment/re-appointment, if any, forms part of the Notice of ensuing Annual General Meeting of the Company.

3. COMMITTEES OF THE BOARD

There are 3 (three) committees of the Board, viz; the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

I) Audit Committee

A) Composition:

As on 31st March 2026, the Company's Audit Committee is comprising of three Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the Audit Committee.

As on March 31, 2026, the composition of the Audit Committee is as under.

(i) Ms. Jyoti Rajshree (DIN: 09311715), Non-Executive Independent Director, Chairperson;
(ii) Mr. Rajesh Ramnani (DIN: 00533679), Non-Executive Independent Director, Member;
(iii) Mr. Manish Manwani (DIN: 03111938), Non-Executive Independent Director, Member;

All Members of the Committee are financially literate with having accounting and/or related financial management expertise.

B) Terms of Reference:

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 except those which are specifically prohibited;
4) Reviewing, with the management, and examination of the financial statements and Auditors Report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any Related Party Transactions;
    - 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 the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7) Review and monitor the auditor's independence and performance, and effectiveness of the audit process;

8) Approval or any subsequent modification of transactions of the company with related parties and scrutiny of the method used to determine the arm's length price of any transaction;
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, the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13) Reviewing the adequacy of the 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 material nature and reporting the matter to the Board;
16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors;
18) To review the functioning of the Whistle Blower mechanism;
19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, background, etc., of the candidate;
20) Reviewing the utilization of loans and/or advances and/or investment by the holding company in the subsidiary exceeding Indian Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments as on the date of coming into force of this provision;
21) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. and
22) Carrying out any other function as may be delegated by the Board of Directors from time to time or as may be required by applicable law or as is mentioned in the terms of reference of the audit committee.

Review of information by the Audit Committee: The Audit Committee mandatorily reviews the following information:

1) Management discussion and analysis of financial condition and results of operations;
2) Management letters/ letters of internal control weaknesses issued by the statutory auditors;
3) Internal audit reports relating to internal control weaknesses;
4) The appointment, removal, and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
5) Statement of deviations:
    (i) quarterly statement of deviation(s) including the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1); and
    (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 31(1).

Meeting and Attendance:

During the financial year 2025-26, 4 (four) Meetings of the Audit Committee were held, i.e., 30th May 2025, 13th August 2025, 14th November 2025 and 14th February 2026 and the attendance of the Members are as follows:

Name of the Members	Category	No. of Meetings	
		Held under tenure	Attended
Ms. Jyoti Rajshree (DIN: 09311715)	Non-Executive Independent Director	4	4
Mr. Rajesh Ramnani (DIN: 00533679)	Non-Executive Independent Director	4	4
Mr. Manish Manwani (DIN: 03111938)	Non-Executive Independent Director	4	4

II) Nomination and Remuneration Committee

A) Composition:

As on 31st March 2026, the Company's Nomination and Remuneration Committee is comprising of three Non-Executive Independent Directors.

As on March 31, 2026, the composition of the Nomination and Remuneration Committee is as under.

- Ms. Jyoti Rajshree (DIN: 09311715), Non-Executive Independent Director, Chairperson;
- Mr. Rajesh Ramnani (DIN: 00533679), Non-Executive Independent Director, Member;
- Mr. Manish Manwani (DIN: 03111938), Non-Executive Independent Director, Member.

B) Term of reference:

The Nomination and Remuneration Committee is responsible for, among other things, as may be required by the Company from time to time, the following:

(a) To formulate criteria for:
   (i) determining qualifications, positive attributes, and independence of a director; and
   (ii) evaluation of the performance of independent directors and the Board of Directors.

(b) To devise the following policies:
   (i) remuneration including any compensation-related payments of the directors, key managerial personnel, and other employees and recommend the same to the Board of the Company; and
   (ii) the Board diversity lays out an optimum mix of executive, independent, and non-independent directors keeping in mind the needs of the Company.

(c) To identify persons who are qualified to:
   (i) become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors; and
   (ii) be appointed in senior management in accordance with the policies of the Company and recommend their appointment or removal to the HR Department and the Board.

(d) To specify the manner for effective evaluation of the performance of the Board, its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee, or by an independent external agency and review its implementation and compliance;
(e) To carry out an evaluation of the performance of every director of the Company;
(f) To express an opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the service to be rendered by a director is of professional nature.

C) Meeting and Attendance:

During the financial year 2025-26, the Nomination and Remuneration Committee of the Company met 2(two) times on 13th August 2025 and 14th February 2026. The attendance of the Member Directors are as follows:

Name of the Members	Category	No. of Meetings	
		Held under tenure	Attended
Ms. Jyoti Rajshree (DIN: 09311715)	Non-Executive Independent Director	2	2
Mr. Manish Manwani (DIN: 03111938)	Non-Executive Independent Director	2	2
Mr. Rajesh Ramnani (DIN: 00533679)	Non-Executive Independent Director	2	2

D) Remuneration Policy, details of remuneration and other terms of appointment of Directors:

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, as amended from time to time, this policy on nomination and remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The NRC Policy is available on the Company's website, www.smccredits.com.

E) Remuneration to Directors:

Subject to the approval of the Board of Directors and subsequent approval by the Shareholders at the ensuing General Meeting and such other authorities as the case may be, the remuneration of the Managing Director, Whole-time Director, and Executive Director & CEO of the Company is fixed by the Nomination and Remuneration Committee. The remuneration is determined and considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, the financial position of the Company, etc. The remuneration structure comprises basic salary, commission linked to profits, wherever applicable, perquisites and allowances, contribution to provident fund, and other funds in accordance with various related provisions of the Companies Act, 2013.

The Non-Executive Independent Directors have not drawn any remuneration from the Company except the sitting fee for meetings of the Board and Committees attended by them. The Company does not have a stock option scheme for its directors.

The remuneration paid or payable to the Directors of the Company, during the year ended 31st March 2026, is as under:

(Amount in Rs.)

Name of the Director	Salary	Deferred Benefits	Perquisites	Commission	Sitting Fees for Board and Committee Meetings	Total
Mr. Rajesh Goenka (DIN: 00298227) Executive Director	13,39,000	-	-	-	-	13,39,000
Ms. Jyoti Rajshree (DIN: 09311715) Non-Executive Independent Director	-	-	-	-	2,40,000	2,40,000
Mr. Manish Manwani (DIN: 03111938) Non-Executive Independent Director	-	-	-	-	1,50,000	1,50,000
Mr. Rajesh Ramnani (DIN: 00533679) Non-Executive Independent Director	-	-	-	-	2,40,000	2,40,000
Total	**13,39,000**	**-**	**-**	**-**	**6,30,000**	**19,69,000**

Further, there is no notice period and severance fee for Non-Executive Directors. The provisions of the Companies Act, 2013 and appointment letter issued with respect to the appointment of Executive Director(s) govern their service contracts and other terms and conditions (including notice period and severance fee) of appointment.

There are no pecuniary relationships or transactions between the Non-Executive Directors (including Independent Directors) and the Company, except for sitting fees drawn by them for attending the meeting of the Board and Committee(s) thereof.

All the Non-Executive Directors shall give notice of their resignation/termination to the Company as per the applicable provisions of the Companies Act, 2013 and they will not be entitled to any severance pay from the Company.

The Company has not granted any stock option to its directors.

No shares/convertible instruments are held by the Executive and Non-Executive Directors of the Company as on 31st March 2026.

F) Criteria for making payment to Non-Executive Directors:

The Company has formulated criteria for making payment to Non-Executive Directors, which has been uploaded on the Company's website, https://www.smccredits.com.

G) Criteria for Performance Evaluation of all the Directors (including Independent Directors):

The Nomination and Remuneration Committee has duly formulated the performance evaluation criteria for all the directors (including Independent Directors) of the Company. The said criteria are disclosed in the Directors' Report forming part of the Annual Report of the Company.

III) Stakeholders Relationship Committee

A) Composition:

The Company's Stakeholders Relationship Committee is comprising of three Non-Executive Independent Director. As on March 31, 2026, the composition of the Stakeholders Relationship Committee is as under.

- Ms. Jyoti Rajshree (DIN: 09311715), Non-Executive Independent Director, Chairperson;
- Mr. Rajesh Ramnani (DIN: 00533679), Non-Executive Independent Director, Member;
- Mr. Manish Manwani (DIN: 03111938), Non-Executive Independent Director, Member.

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference for the Committee:

The Stakeholders Relationship Committee is responsible for, among other things, as may be required by the Company from time to time, the following:

To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to

(a) transfer/transmission of shares; non-receipt of annual reports; and non-receipt of declared dividends.
(b) All such complaints directly concerning the shareholders of the Company;
(c) Any such matters that may be considered necessary in relation to shareholders of the Company;
(d) Reviewing the measures taken for the effective exercise of voting rights by shareholders;
(e) Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
(f) To review and/or approve applications for transfer, transmission, transposition, and mutation of share certificates including the issue of duplicate certificates and new certificates on split/sub-division/ consolidation/ renewal, and to deal with all related matters as may be permissible under applicable law;
(g) To review and/or approve requests of dematerialization and Rematerialization of securities of the Company and such other related matters;
(h) Appointment and fixing of the remuneration of RTA and overseeing their performance;
(i) Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Regulation 20 read with Part D of Schedule II of SEBI LODR Regulations, as amended, from time to time; and
(j) To carry out such other business as may be required by applicable law or delegated by the Board of Directors of the Company or considered appropriate in view of its terms of reference.

The table gives the number of complaints received, resolved, and pending during the financial year 2025-26:

Unresolved at the beginning of the year	Received during the year	Resolved during the year	Not solved to the satisfaction of the shareholders	Pending at the end of the year
Nil	Nil	Nil	Nil	Nil

B) Meeting & Attendance:

During the financial year 2025-26, the Stakeholders Relationship Committee of the Company met on 14th February 2026. The attendance of the Member Director is as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Ms. Jyoti Rajshree (DIN: 09311715)	Non-Executive Independent Director	1	1
Mr. Manish Manwani (DIN: 03111938)	Non-Executive Independent Director	1	1
Mr. Rajesh Ramnani (DIN: 00533679)	Non-Executive Independent Director	1	1

4. GENERAL BODY MEETINGS:

I) The details of the last three Annual General Meetings of the Shareholders are as follows:

Financial year ended	Date of AGM	Venue	Time	No. of Special Resolution(s) passed
31st March, 2025	30th September, 2025	24, Ashoka chambers, 5-B, Rajindra Park, Pusa Road, New Delhi- 110060	10.00 A.M.	Nil
31st March, 2024	30th September, 2024	24, Ashoka chambers, 5-B, Rajindra Park, Pusa Road, New Delhi- 110060	10.00 A.M.	Nil
31st March, 2023	30th September, 2023	24, Ashoka chambers, 5-B, Rajindra Park, Pusa Road, New Delhi- 110060	3.00 P.M.	Nil

II) Passing of Resolutions by Postal Ballot during the financial year 2025-26:

During the financial year 2025-26, no resolution was passed through Postal Ballot by the Members of the Company. Further, as on date of this report, no resolution is proposed through postal ballot in this year.

5. OTHER DISCLOSURES:

a) Disclosure of materially significant related party transactions that may have potential conflict with the interest of the Company at large:

There were no materially significant transactions having conflict with the interest of the Company at large. Suitable disclosure as required by Ind AS24 has been made in the notes to the Financial Statements. The details of the transactions with related parties are placed before the Audit Committee from time to time. The Board of Directors has formulated a policy on related party transactions and also on dealing with related party transactions pursuant to provisions of the Companies Act, 2013 and SEBI Listing Regulations, which has been uploaded on the Company's website, www.smccredits.com.

b) During the year under review, there were no non-compliance by the Company and further no penalties, strictures were imposed on the Company by stock exchange or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c) Vigil Mechanism

As per the requirement of the Companies Act, 2013 and SEBI Listing Regulations, the Company has framed and implemented a Whistle Blower Policy to establish a vigil mechanism for directors and employees to report genuine concerns. This policy provides a process to disclose information confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrongdoing within the Company or violation of the Company's Code of Conduct or ethical policy. The whistleblowers may also lodge their complaints/ concerns with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The policy offers appropriate protection to the whistle-blowers from victimization, harassment, or disciplinary proceedings. The Whistle Blower Policy is available on the Company's website, www.smccredits.com.

d) Details of Compliance with Mandatory requirements and adoption of non-mandatory requirements:

(i) Mandatory requirements:

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under SEBI Listing Regulations to the extent applicable to the Company. The Company also complied with the notified secretarial standards on the Board and General Meetings as issued by the Institute of Company Secretaries of India. The certificate regarding compliance with the conditions of Corporate Governance received from M/s Neeraj Arora & Associates, Practising Company Secretaries, is annexed to this Report.

(ii) Discretionary or non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations:

The Company try to comply with the Discretionary requirements also, wherever applicable.

e) Policy for determining "material" Subsidiaries:

The Company has framed the policy for determining 'material' subsidiaries and the same has been placed on the Company's website, www.smccredits.com.

Further, the Company does not have any material subsidiary during the financial year ended March 31, 2026.

f) Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

During the financial year 2025-26, the Company has not raised funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32(7A). Hence, disclosure of utilization of funds is not required.

g) A Certificate from M/s Neeraj Arora & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

h) During the financial year 2025-26, there was no recommendation of any committee of the Board of Company which is mandatorily required and is not accepted by the Board of the Company.

i) During the financial year 2025-26, total fees for all services paid by the Company to the Statutory Auditors of the Company as per details below:

Particulars	Amount (in Rs.)
Statutory Audit Fee	4,00,000
Other Services	NIL
Out of Pocket Expenses	NIL

j) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Details of complaints received and redressed during the financial year 2025-26, as under:

- number of complaints filed during the financial year: Nil
- number of complaints disposed of during the financial year: Nil
- number of complaints pending at the end of the financial year: Nil

k) Annual Secretarial Compliance Report

In accordance with Regulation 24A of the SEBI Listing Regulations, the Company has obtained Annual Secretarial Compliance Report from M/s Neeraj Arora & Associates, Company Secretaries, Firm Registration No.- S2019DE706400, Firm Peer Review No.- 3738/2023 confirming compliance with all applicable SEBI Regulations, Circulars, Guidelines issued thereunder and Secretarial Standards for the year ended 31st March 2026. The Annual Secretarial Compliance Reports are available on website of the Company, www.smccredits.com.

l) Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for the prevention of Insider trading in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), with a view to regulate trading in securities by designated persons (as defined in the said Code of Conduct) of the Company. This Code is applicable to all designated persons and their immediate relatives, and they are required to abide by the Code of conduct for the prevention of insider trading of the Company framed under the SEBI (Prohibition of Insider trading) Regulations, 2015, as amended from time to time.

m) In addition to the Board's Report, a Management Discussion and Analysis Report forms part of the Annual Report to the shareholders.

n) All members of the Board, Key Managerial Personnel and Senior Management have confirmed that they do not have material, financial and commercial relationships in any transaction with the Company that may have potential conflict with the interest of the Company at Large.

o) All details relating to financial or commercial transactions where directors may have a pecuniary detail provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

p) Shareholding of Non-Executive Director:

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

q) Unclaimed Dividend:

Pursuant to the provisions of the Companies Act, 2013, dividends that are unpaid/ unclaimed for a period of seven years are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) Authority. The Company has not declared any dividend, therefore, there is no requirement to transfer any unpaid unclaimed dividend.

r) Transfer of equity shares corresponding to the dividend, which has remained unclaimed for consecutive seven years and transferred to IEPF: Not Applicable

s) Demat Suspense Account/Unclaimed Suspense Account:

Sl. No.	Particulars	No. of Shareholders	Outstanding shares
1)	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year;	Nil	Nil
2)	Number of shareholders who approached listed entity for transfer of shares from Suspense Account during the year;	Nil	Nil
3)	Number of shareholders to whom shares were transferred from Suspense Account during the year;	Nil	Nil

4)	Aggregate number of shareholders and the outstanding shares transferred to Suspense Account during the year;	Nil	Nil
5)	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year;	Nil	Nil
6)	That the voting Rights on these shares shall remain frozen till the rightful owners of such shares claim the shares.	Nil	Nil

t) MD/CEO/WTD and CFO Certifications:

The Whole Time Director and CFO of the Company have issued the required certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of SEBI LODR Regulations, certifying inter-alia, that the financial statements do not contain any materially untrue statements, and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms an integral part of this Annual Report.

u) Pursuant to the SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023, the new SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal) has been made available. This platform is designed to enhance investor grievance redressal by enabling investors to access Online Dispute Resolution Institutions for the resolution of their complaints.

Your Company has got itself registered on this SMART ODR Portal to dispose grievances of stakeholders, if any.

6. MEANS OF COMMUNICATIONS:

The quarterly, half-yearly, and annual financial results of the Company are sent to the stock exchanges within stipulated time period after the approval of the same by the Board of Directors. The extract of the same is also published in the prescribed performa within 48 hours of the conclusion of the meeting of the Board in which they are considered, in in newspapers like Financial Express and Jansatta. In addition, these results are simultaneously posted on the Company's website, www.smccredits.com. Any official press release are also available on the Company's website. Further, the Company does not make presentations for institutional investors or to the analysts.

7. GENERAL SHAREHOLDER INFORMATION:

(a) Date, time, and venue of the Annual General Meeting	Wednesday, 30th September, 2026 at 10:00 AM (IST) Venue: 24, Ashoka Chambers, 5-B Rajindra Park, Pusa Road, New Delhi – 110060

(b) Financial Year	The financial year of the Company is from April 1 to March 31. Publication of results for the financial year 2026-27 (tentative and subject to change) First quarter Results: *On or before 14th August 2026* The second quarter and half year results: *On or before 14th November 2026* Third quarter results: *On or before 14th February 2027* Fourth quarter results and results for the year ending 31st March 2027: *On or before 30th May 2027.*
(c) Dates of book closure	The Company has not closed its Register of Members and Share Transfer Books for the purpose of 34th AGM.
(d) Dividend payment date	No dividend has been recommended for the financial year 2025-26 by the Board of Directors of the Company.
(e) Listing of Equity Shares at Stock Exchanges and payment of Annual Listing fees	BSE Limited (BSE), Add: P. J. Towers, 1st Floor, Dalal Street, Mumbai-400 001 Tel.: +91 22 22721233-34; Fax: +91 22 22721919 E-mail: corp.relations@bseindia.com The Company has paid Annual Listing fees to the BSE for Financial Year 2026-27.
(f) Stock Code/ Symbol	BSE Limited: 532138

(g) The ISIN number for Equity Shares of the Company on both the NSDL and CDSL is **INE440E01012**.

(h) Market Price Data for the Financial Year 2025-26: During the year there was no trading in the shares of the Company, hence, no data available each month in last financial year

(i) Email ID for the Investor: smccorp011@gmail.com

(j) Registrar and Share Transfer Agent:

Beetal Financial & Computer Services (P) Limited
Beetal House, 3rd Floor, 99, Madangir,
Behind local Shopping Centre, Near Dada Harsukhdas Mandir,
New Delhi-110062

(k) Share Transfer System:

Presently, the share transfers in physical form are processed and share certificates returned with in a period of 15 days from the date of receipt, subject to the documents being clear in all respects. The Company also offer transfer-cum-demat facility for the convenience of the investors.

(l) Dematerialisation of Shares & Liquidity

The shares of the Company are in compulsory demat segment and are available for trading on BSE. As at 31st March, 2026, 2,08,19,900 equity shares out of 2,50,55,500 equity shares of the company, representing 83.09% of the Company's paid-up capital are held in dematerialized form.

(m) Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such an audit every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such an audit report is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Board.

(n) Distribution of Shareholding by ownership as on 31st March 2026:

Particulars	**No. of Equity Shares**	**Shareholding (%)**
A. PROMOTERS' HOLDING	57,59,750	22.99
B. NON-PROMOTERS' HOLDING		
Individuals – (i) Individual Shareholders holding Share Capital up-to ₹2 Lakhs	19,00,600	7.59
Individual – (ii) Individual Shareholders holding Nominal Share Capital in excess of ₹2 Lakhs	1,05,500	0.42
Bodies Corporate	1,72,89,650	69.01
Total	**2,50,55,500**	**100.00**

(o) Outstanding ADRs/ GDRs/ Warrants or any other convertible instruments, conversion date and likely impact on equity: Not Applicable.

(p) Disclosure of Commodity Price Risks and Commodity hedging Activities:

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation, and service, coupled with the existence of a powerful brand image with a robust marketing network, mitigates the impact of price risk on finished goods.

(q) During the financial year 2025-26, the Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

(r) Plant Location:

Not Applicable as the Company does not have any manufacturing plant.

(s) Compliance Officer for Investor Redressal/ Address for Correspondence:

Mr. Ankit Aggarwal
Company Secretary and Compliance Officer
Address: 24, Ashoka Chambers, 5-B Rajindra Park, Pusa Road, New Delhi – 110060
Email id: smccorp011@gmail.com
Ph: 011-45012880

(t) Address for Correspondence:

24, Ashoka Chambers, 5-B Rajindra Park,
Pusa Road, New Delhi – 110060

(u) List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the year under review, no credit ratings obtained by the Company.

(v) Non-Compliance with any requirement of Corporate Governance:

There was no non-compliance with any requirement of the Corporate Governance Report of sub-paras (2) to (10) of Schedule V of SEBI Listing Regulations as far as they were applicable during the financial year ended 31st March 2026.

(w) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loan to firms/companies in which Directors are interested:

During the year, the Company has not provided loans and advances in the nature of loans to firms/companies in which directors are interested.

(x) The Company has complied with all mandatory items of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per Clause 13 of Part C of Schedule V to the SEBI Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 on the Website of the Company.

(y) Details of material subsidiaries of the listed entities; including the date and place of incorporation and name and date of appointment of the Statutory Auditors of such subsidiaries: Not Applicable

For and on behalf of the Board

Rajesh Goenka
Chairman and CFO
(DIN: 00298227)

Place: New Delhi
Date: August 14, 2026

CORPORATE GOVERNANCE CERTIFICATE

To
The Members of
SMC CREDITS LIMITED
CIN: L65910DL1992PLC049566
24, Ashoka Chambers, 5-B, Rajindra Park,
Pusa Road, New Delhi-110060

1. We have examined the compliance of conditions of Corporate Governance by **SMC Credits Limited** ("the Company") for the financial year ended on March 31, 2025 as stipulated under Regulations 17 to 27 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

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

3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the mandatory conditions of Corporate Governance of Listing Regulations.

4. 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 Neeraj Arora & Associates
Company Secretaries
Firm Registration No. S2019DE706400
Firm Peer Review No.- 3738/2023

Neeraj Arora
Proprietor
M. No.- FCS 10781; CP No.- 16186
UDIN - F010781H001116171

New Delhi
August 14, 2026

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,
SMC Credits Limited
CIN: L65910DL1992PLC049566
Add: 24, Ashoka Chambers, 5-B, Rajindra Park,
Pusa Road, New Delhi-110060

1. The SMC Credits Limited (CIN: L65910DL1992PLC049566) is having registered office at 24, Ashoka Chambers, 5-B, Rajindra Park, Pusa Road, New Delhi-110060 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited.

2. We have examined the relevant disclosures received from the Directors of the Company and other registers, records, forms, returns, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. As on 31st March, 2026, the Board of Directors of the Company comprises of the following directors:

Sr. No.	Name of the Director	Director Identification Number (DIN)
1.	Mr. Rajesh Goenka	00298227
2.	Mr. Rajesh Ramnani	00533679
3.	Ms. Jyoti Rajshree	09311715
4.	Mr. Manish Manwani	03111938

4. Based on our verification and examination of the disclosures and other information under Sections 184, 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal at www.mca.gov.in, we certify that none of the above named Directors on the Board of the Company 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 statutory authority for the financial year ending 31st March, 2026.

5. Ensuring the eligibility of the appointment/ continuity of every director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on my 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.

6. This certificate is based on the information and records available as of March 31, 2026 and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For Neeraj Arora & Associates
Company Secretaries
Firm Registration No. S2019DE706400
Firm Peer Review No. - 3738/2023

Neeraj Arora
Proprietor
CP No.- 16186
UDIN - F010781H001116160

New Delhi
August 14, 2026

CODE OF CONDUCT COMPLIANCE CERTIFICATE FOR FINANCIAL YEAR 2024-25

To the best of my knowledge and belief and information available with me, I hereby declare that all the Board Members and Senior Management Personnel of M/s SMC Credits Limited have complied with the code of conduct during the financial year 2025-26 (as applicable on them).

For and on behalf of the Board

Rajesh Goenka
Chairman and CFO
(DIN: 00298227)

Place: New Delhi
Date: August 14, 2026

CEO AND CFO CERTIFICATE

The Board of Directors,
SMC Credits Limited,
24, Ashoka Chambers, 5-B Rajindra Park,
Pusa Road, New Delhi-110060

Sub: Annual Certificate of Compliance for FY 2025-26

Sir(s),

I, Rajesh Goenka, Whole-time Director & CFO of the Company hereby states that:

a) We have reviewed financial statement and the cash flow statement for the year ended 31st March, 2026 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 incompliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the 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 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. significant changes in such internal control during the year, if any;
ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system for financial reporting.

For and on behalf of the Board

Rajesh Goenka
Whole Time Director and CFO
(DIN: 00298227)

Place: New Delhi
Date: August 14, 2026

INDEPENDENT AUDITOR'S REPORT

To The Members of SMC CREDITS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **SMC CREDITS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as" the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives us true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and profit/(loss) (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key Audit Matters to be communicated:

S.No.	Key Audit Matter	Auditor's Response
1.	**Impairment of Loan Assets** The company has outstanding loan asset to corporates under its NBFC business. The company has classified such loan asset as standard asset and sub-standard asset and provision thereof as per the RBI Prudential Norms on Asset Classification.	**Our procedure includes:** Review of loan agreements and management representation on the recoverability of these loans. **Our Results:** We did not find any material risk in the recoverability of the loans.

Further, We draw attention to Note 5 to the financial statements regarding the valuation of the Company's investments in unlisted entities. The fair valuation of such investments has been determined using the latest available audited financial information of the respective investee entities as at March 31, 2025, as audited financial statements as at March 31, 2026 were not available. Further, during the year, the Company subscribed to additional shares in certain investee entities, which have been recognised at acquisition cost without a corresponding fair value remeasurement as at March 31, 2026. Consequently, the fair value changes recognised in Other Comprehensive Income primarily reflect the valuation movement relating to the existing shareholding based on the March 31, 2025 valuation data.

Our opinion is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also 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 it 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 the resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the-override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditors' 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.

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. A. As required by section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the 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 statement complies with the Indian Accounting Standards specified in section 133 of the Act;
   e. On the basis of the written representations received from the directors as on 31 March 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure — B".

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   a. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements
   b. The Company did not have any long-term contracts for which there were any material foreseeable losses.
   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
   d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

f. The reporting under Rule Il(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination, which included test checks, we observed that the company has used accounting software for maintaining its books of account. Although this software has a feature for recording an audit trail (edit log), we found that the audit trail feature was not operating effectively during the reporting period for all relevant transactions recorded in the software. Consequently, we were unable to verify the integrity of the audit trail throughout the year.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **Kumar Ashwani & Associates**
Chartered Accountants
FRN: 008891N

Shivam Gupta
Partner
M. No. 534422
UDIN: 26534422MOJSUD4729
Date: 30.05.2026
Place: New Delhi

SMC Credits Limited

ANNEXURE - A to the independent auditors' report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1) In respect of the Property, plant and equipment of the Company:
    a) i) The company is maintaining proper records, showing full particulars including quantitative details and situation of property, plant and equipment.
       ii) The Company has no intangible asset and therefore clause (i)(a)(B) of paragraph 3 of the Order is not applicable.
    b) All the Fixed Assets have been physically verified by the Management during the year based on a phased program of verifying the assets, which in our opinion is reasonable having regard to the size of the company and the nature of its Fixed Assets. No discrepancy has been noticed on such verification.
    c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company.
    d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
    e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, and rules made thereunder.

2) a) In our opinion and according to the information and explanations given to us, the nature of the Company's business/activities during the year has been such that the clause of paragraph 3 of the Order is not applicable to the Company for the year.

    b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no working capital loan has been taken by the Company. Therefore, reporting under clause (ii)(b) of paragraph 3 is not applicable.

3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / Security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees / security and loans and advances:

    A. The principal business of the Company is to give loans and hence reporting under clause (iii)(a) of the Order is not applicable;

B. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the guarantee given are, prima facie, not prejudicial to the interest of the Company.
C. The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of . RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
D. The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.
E. The principal business of the Company is to give loans and hence reporting under clause (iii)(e) of the Order is not applicable;
F. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

4) According to the information and explanations given to us and on the basis of our examination of the records, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

5) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause (v) of paragraph 3 of the Order is not applicable.

6) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause (vi) of paragraph 3 of the Order is not applicable.

7) In respect of statutory dues:

a) According to the records of the Company, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2026 for a period of more than six months from the date of becoming payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company did not have dues which have not been deposited as on March 31, 2026, except for the following:

Name of the Statute	**Nature of disputed dues**	**Amount under dispute (INR Lakhs)**	**Amount paid (INR Lakhs)**	**Period to which amount relates**
Income Tax Act, 1961	Income Tax	NIL	NIL	FY 2017-18

* amount of addition in income as appearing on income tax portal.

8) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) A. In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

B. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

C. In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans from financial institution during the year for the purposes for which they were obtained, other than temporary parking in current account for a few days, pending utilization towards purpose for which the same are obtained.

D. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause (ix)(d) of paragraph 3 of the Order is not applicable.

E. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture as defined under the Companies Act, 2013. Accordingly, clause (ix)(e) of paragraph 3 of the Order is not applicable.

F. According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiary. Accordingly, clause (ix)(f) of paragraph 3 of the Order is not applicable.

10) A. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause (x)(a) of paragraph 3 of the Order is not applicable.

B. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, clause (x)(b) of paragraph. 3 of the Order is not applicable.

11) A. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

B. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

C. According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

12) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

13) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian Accounting Standards.

14) A. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

B. We have taken into consideration, the repörts of the Internal Auditors received by the Company during the year and provided to us while determining the nature, timing and extent of audit procedures.

15) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

17) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

18) We have been appointed as statutory auditor on 13.11.2024, through board resolution, and accordingly, shareholders' approval was taken on 20.01.2025 and ADT 1 was filed on 03.02.2025.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on 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.

20) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Kumar Ashwani & Associates**
Chartered Accountants
FRN: 008891N

Shivam Gupta
Partner
M. No. 534422
UDIN: 26534422MOJSUD4729
Date: 30.05.2026
Place: New Delhi

ANNEXURE – B to the independent auditors' report
Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 SMC CREDITS LIMITED ('the Company') as of 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 to future periods are subject to the risk that the internal financial controls 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 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Kumar Ashwani & Associates**
Chartered Accountants
FRN: 008891N

Shivam Gupta
Partner
M. No. 534422
UDIN: 26534422MOJSUD4729
Date: 30.05.2026
Place: New Delhi

SMC Credits Limited
CIN L65910DL1992PLC049566
Balance Sheet as at 31 March 2026 — **Amount in ₹ Lacs**

Particulars		Note No	As at 31 March 2026	As at 31 March 2025
ASSETS				
(1) Financial assets				
(a)	Cash and cash equivalents	2	266.39	4.31
(b)	Receivables	3		
	(I) Trade Receivables		7.82	17.91
	(II) Other Receivables		5.40	-
(c)	Loans	4	3,113.22	2,636.84
(d)	Investments	5	112,897.72	123,193.54
(e)	Other Financial assets	6	15.08	21.06
			116,305.62	**125,873.65**
(2) Non-financial Assets				
(a)	Current tax assets (Net)	7	-	39.31
(b)	Deferred tax Assets (Net)	8	3.01	44.51
(c)	Property, Plant and Equipment	9	135.11	150.05
			138.12	**233.86**
	TOTAL ASSETS		**116,443.74**	**126,107.52**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a)	Payables	10		
	(I)Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b)	Borrowings (Other than Debt Securities)	11	832.13	1,387.55
(c)	Other financial liabilities	12	1.35	457.82
			833.47	**1,845.37**
(2) Non-Financial Liabilities				
(a)	Current tax liabilities (Net)	12	348.39	57.36
(b)	Other non-financial liabilities	13	0.52	11.44
			348.91	**68.80**
(3) Equity				
(a)	Equity share capital	14	2,505.55	2,505.55
(b)	Other equity	15	112,755.80	121,687.80
			115,261.35	**124,193.35**
TOTAL EQUITY AND LIABILITIES			**116,443.74**	**126,107.52**
Significant accounting policies		1		
Notes to the financial statements		2 - 39		

In terms of our Audit Report

For Kumar Ashwani & Associates
FRN. 008891N
Chartered Accountants

CA Shivam Gupta
MN. 534422
Partner
UDIN: 25534422BMMIFY1933

Date: 30.05.2026
Place: New Delhi

For and on behalf of the Board

Rajesh Goenka
DIN 00298227
Director

Jyoti Rajshree
DIN 09311715
Independent Director

Ankit Aggarwal
Company Secretary

SMC Credits Limited
CIN L65910DL1992PLC049566
Statement of Profit and loss for the year ended 31 March 2026 **Amount in ₹ Lacs**

Particulars	Note No	For the year ended 31 March 2026	For the year ended 31 March 2025
REVENUE FROM OPERATIONS			
Interest Income	16	321.44	272.04
Dividend Income	17	1,586.54	818.87
Net gain on fair value changes	18	635.39	439.82
Other income	19	1,701.09	369.64
Total income		**4,244.47**	**1,900.38**
Expenses			
Employee benefit expense	20	45.88	40.14
Financing expenses	21	50.67	122.77
Depreciation and amortization expense	22	4.56	4.18
Other expenses	23	152.94	175.09
Total expenses		**254.04**	**342.17**
Profit before exceptional items and tax		**3,990.43**	**1,558.20**
Exceptional Items	24	-	-
Profit before tax		**3,990.43**	**1,558.20**
Tax expense:			
Current tax		694.31	287.31
Deferred tax		41.50	19.27
Total tax expense		**735.81**	**306.58**
Profit after tax for the year		**3,254.62**	**1,251.62**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Fair value changes on equity instruments through OCI		(12,186.62)	16,758.57
Income tax impact thereon		-	-
Items that will be reclassified to profit or loss			
Fair value changes on debt instruments through OCI		-	1.27
Income tax impact thereon		-	-
Total other comprehensive income		**(12,186.62)**	**16,759.85**
Total Comprehensive Income for the year		**(8,932.00)**	**18,011.47**
Earnings per equity share:	25		
Basic		**12.99**	**5.00**
Diluted		**12.99**	**5.00**
Significant accounting policies	1		
Notes to the financial statements	2 - 39		

In terms of our Audit Report

For Kumar Ashwani & Associates
FRN. 008891N
Chartered Accountants

CA Shivam Gupta
MN. 534422
Partner
UDIN: 25534422BMMIFY1933

Date: 30.05.2026
Place: New Delhi

For and on behalf of the Board

Rajesh Goenka
DIN 00298227
Director

Jyoti Rajshree
DIN 09311715
Independent Director

Ankit Aggarwal
Company Secretary

SMC Credits Limited
CIN L65910DL1992PLC049566
Cash flow statements for the year ended 31 March 2026

Amount in ₹ Lacs

	Particulars	Note No	For the year ended 31 March 2026	For the year ended 31 March 2025
A	**Cash flows from operating activities**			
	Profit before tax		**3,990.43**	**1,558.20**
	Adjustment to reconcile profit before tax to net cash flows			
	Depreciation		4.56	4.18
	Profit on sale of fixed assets		(42.65)	-
	Net Gain on Fair Value Changes		(635.39)	-
	Profit on sale of investment		(1,459.04)	19.37
	Operating profit before working capital changes		**1,857.90**	**1,581.75**
	Movements in working capital:			
	Other bank balance		-	-
	Receivables		4.69	(10.66)
	Loans		(476.38)	446.16
	Other financial assets		5.98	193.99
	Trade Payable		-	(6.49)
	Financial liabilitis		(555.43)	(403.10)
	Other financial liabilities		(456.47)	457.58
	Other non-financial liabilities		(10.92)	1.39
	Cash generated from operations		**369.36**	**2,260.62**
	Direct taxes paid (net of refunds)		(363.96)	57.36
	Net cash flow from operating activities		**5.40**	**2,317.98**
B	**Cash flows from investing activities**			
	Proceed from Sale/Redemption of Investments		-	-
	Proceed from sale of property plant and equipments		-	-
	Purchase of Fixed Assets		53.03	(0.58)
	Sale of Investments (Net)		203.64	(2,454.46)
	Net cash flow (used in) investing activities		**256.67**	**(2,455.04)**
C	**Cash flows from financing activities**			
	Proceed from issue of equity shares (net of expenses)		-	-
	Net cash flow from financing activities		**-**	**-**
	Net increase in cash and cash equivalents		**262.07**	**(137.06)**
	Cash and cash equivalents at the beginning of the year		**4.31**	**141.37**
	Cash and cash equivalents at the end of the year		**266.39**	**4.31**
	Significant accounting policies	1		
	Notes to the financial statements	2 - 39		

In terms of our Audit Report

For Kumar Ashwani & Associates
FRN. 008891N
Chartered Accountants

CA Shivam Gupta
MN. 534422
Partner
UDIN: 25534422BMMIFY1933

Date: 30.05.2026
Place: New Delhi

For and on behalf of the Board

Rajesh Goenka
DIN 00298227
Director

Jyoti Rajshree
DIN 09311715
Independent Director

Ankit Aggarwal
Company Secretary

SMC Credits Limited
CIN L65910DL1992PLC049566
Statement of Change in Equity for the year ended 31 March 2026

Amount in ₹ Lacs

Particulars	Note No	A. Equity	B. Other Equity					
			Reserves and Surplus			Other Comprehensive Income		Total
			Retained Earnings	Statutory Reserves	Impairment Reserve	Equity instruments through OCI	Debt instruments through OCI	
Balance as at 31 March 2024		**2,505.55**	**3,968.78**	**970.31**	**278.21**	**98,451.61**	**7.42**	**103,676.33**
Changes in Equity Share Capital due to prior period errors		-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period		**2,505.55**	**3,968.78**	**970.31**	**278.21**	**98,451.61**	**7.42**	**103,676.33**
Shares issued during the year pursuant to Rights Issue		-	-	-	-	-	-	-
Profit for the year		-	1,251.62	-	-	-	-	1,251.62
Transfer to Statutory Reserve		-	(250.32)	250.32	-	-	-	-
Transfer to Impairment Reserve		-	84.38	-	(84.38)	-	-	-
Gain on sale/redmption of Investment		-	-	-	-	-	-	-
Income tax impact on gain		-	-	-	-	-	-	-
OCI for the year before income tax		-	-	-	-	16,758.57	1.27	16,759.85
Balance as at 31 March 2025		**2,505.55**	**5,054.46**	**1,220.63**	**193.83**	**115,210.18**	**8.69**	**121,687.80**
Changes in Equity Share Capital due to prior period errors		-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period		**2,505.55**	**5,054.46**	**1,220.63**	**193.83**	**115,210.18**	**8.69**	**121,687.80**
Profit for the year		-	3,254.62	-	-	-	-	3,254.62
Transfer to Statutory Reserve		-	(650.92)	650.92	-	-	-	-
Transfer to Impairment Reserve		-	181.37	-	(181.37)	-	-	-
Gain on sale/redmption of Investment		-	-	-	-	-	-	-
Income tax impact on gain		-	-	-	-	-	-	-
OCI for the year before income tax		-	-	-	-	(12,186.62)	-	(12,186.62)
Balance as at 31 March 2026		**2,505.55**	**7,839.53**	**1,871.55**	**12.46**	**103,023.57**	**8.69**	**112,755.80**
Significant accounting policies	1							
Notes to the financial statements	2 - 39							

In terms of our Audit Report

For Kumar Ashwani & Associates
FRN. 008891N
Chartered Accountants

CA Shivam Gupta
MN. 534422
Partner

Date: 30.05.2026
Place: New Delhi

For and on behalf of the Board

Rajesh Goenka
DIN 00298227
Director

Jyoti Rajshree
DIN 09311715
Independent Director

Ankit Aggarwal
Company Secretary

General Information

SMC Credits Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is primarily engaged in the business of non-banking financial services. The Company's registered office is at 24 Ashoka Chambers, 5B Rajinder Park, Pusa Road, New Delhi - 110060. Its shares are listed on Bombay stock exchanges in India.

The Company has been recognised as a Non-banking Financial Company as Investment Company by the Reserve Bank of India (RBI) in terms of the regulations governing Non-Banking Financial Companies and is registered thereunder.

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

A. BASIS OF PREPARATION OF FINANCIAL STATEMENT

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, Schedule III of the Act and other relevant provisions of the Act read with the RBI guidelines/regulations to the extent applicable.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities, which have been measured at fair value:

i) fair value through other comprehensive income (FVOCI) instruments,
ii) derivative financial instruments,
iii) other financial assets held for trading,
iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

The financial statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest rupee in lacs.

B. PRESENTATION OF FINANCIAL STATEMENTS

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

The financial statements are presented in Indian Rupees (INR) which is also its functional currency and all values are rounded to the nearest rupee in lacs.

C. SIGNIFICANT AREAS OF ESTIMATION UNCERTAINTY, CRITICAL JUDGEMENTS AND ASSUMPTIONS IN APPLYING ACCOUNTING POLICIES

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

D. REVENUE RECOGNITION AND EXPENSES

Interest Income: The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Dividend Income: Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Net gain on fair value changes: Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

Recoveries of financial assets written off: The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Taxes: Incomes are recognised net of the Goods and Services Tax, wherever applicable. Expenses are recognised net of the Goods and Services Tax, except where credit for the input tax is not statutorily permitted.

Other Income: All other items of income are accounted for on accrual basis.

E. FINANCIAL INSTRUMENTS

I. Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

II. Classifications

Financial assets

A financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or fair value through profit and loss (FVTPL), depending on the contractual cash flow characteristics of the financial assets and the Company's business model for managing the financial assets.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial instruments at Amortised Cost
A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest (SPPI test).

Financial assets at Fair Value through Other Comprehensive Income ('FVTOCI')
A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest (SPPI test).

Financial assets at Fair Value through Profit and Loss (FVTPL)
Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Equity Investments
All equity investments other than equity investments in subsidiaries / associates / joint ventures are measured at FVTOCI. These include all equity investments in scope of Ind AS 109.

Financial liabilities and equity instruments
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or fair value through profit or loss, as appropriate.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

III) Subsequent measurement
Amortised cost
Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

Fair Valuation

Fair value is the price that is expected to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date or, in its absence, the most advantageous market to which the Company has access at that date.

In the absence of quoted price in an active market, the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

IV) De-recognition of financial assets and financial liabilities
Financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. The Company continues to recognise the assets on finance on books which has been securitized under pass through arrangement and does not meet the de-recognition criteria.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of the consideration received (including the value of any new asset obtained less any new liability assumed).

Financial liabilities
The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

V) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

VI) Impairment of Financial Assets
The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

ECL are probability weighted estimate of future credit losses based on the staging of the financial asset to reflect its credit risk. They are measured as follows:

- Stage 1: financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Stage 2: financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Stage 3: financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are fully provided for or written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised as income in profit or loss.

F. FINANCIAL INSTRUMENTS

Investment in subsidiaries, associates and joint ventures The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

G. LEASES

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the balance sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

H. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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 profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

I. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment (PPE) is recognised at cost of acquisition. PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Transition to Ind AS

The Company has elected to continue with the carrying value of all of its property, plant and equipment and investment property recognised as of 1 April, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

J. INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

K. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

L. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are translated into the functional currency of the Company at the exchange rates prevailing on the date of the transaction. The foreign currency borrowing being a monetary liability is restated to INR (being the functional currency of the Company) at the prevailing rates of exchange at the end of every reporting period with the corresponding exchange gain/loss being recognised in profit or loss.

M. PROVISIONS AND CONTINGENCIES

Provisions: Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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

Contingent asset: Contingent asset being a possible asset that arises 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, is not recognized but disclosed in the financial statements.

N. CASH AND CASH EQUIVALENT

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

O. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

P. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

Q. ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest rupee as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

SMC Credits Limited
CIN L65910DL1992PLC049566
Notes to financial statements

Amount in ₹ Lacs

Note No	Particulars	As at 31 March 2026	As at 31 March 2025
2	**Cash and cash equivalents**		
	Cash in hand	0.17	0.21
	Balances with banks		
	In current accounts	266.22	4.10
	In deposits with original maturity of 3 months or less	-	-
		266.39	**4.31**
3	**Receivables ***		
	(Unsecured, considered good, unless stated otherwise)		
	Trade Receivables	7.82	17.91
	Other Receivables	5.40	-
		13.22	**17.91**
	* also refer Note No 34		
4	**Loans (at amortised cost)**		
A	Term loan	3,113.22	2,636.84
		3,113.22	**2,636.84**
B	Unsecured Loan	3,113.22	2,636.84
		3,113.22	**2,636.84**
C	**Loans in India**		
	Public Sector	-	-
	Others	3,113.22	2,636.84
5	**Investments (other than Subsidiaries and Joint-ventures)**		
A.	**Investment in equity instruments (at FVTOCI)**		
	Quoted		
	Fully paid up of face value ₹ 10 each		
	43 (PY 43) shares of Reliance Power Ltd.	0.01	0.02
	Nil (PY 145000) shares of Swiggy Ltd	-	496.12
			-
	Fully paid up of face value ₹ 1 each		-
	38675504 (PY 38675504 @ ₹ 2 each) shares of JBM Auto Ltd.	76,429.38	89,700.89
	Fully paid up of face value ₹ 2 each		
	4114000 (PY 4114000) shares of Jay Bharat Maruti Ltd.	3,363.61	2,529.70
		79,793.00	**92,726.72**
	Unquoted		
	Fully paid up of face value ₹ 10 each		
	1,34,40,000 (PY 840000) shares of A to Z securities Ltd	1,821.83	376.55
	25,63,000 (PY 233000) shares of Shuklamber Exports Ltd	726.57	249.57
	1 (PY 1) share of Gurera Udyog Ltd.	0.00	0.00
	(Value ₹ 10.80)		-
	495200 (PY 495200) shares of Focal Leasing & Credits Ltd	319.84	123.65
	1930000 (PY 1930000) shares of Neel Metal Products Ltd.	20,452.92	20,993.79
	30000 (PY 30000) shares of Prasha Techonologies Ltd	3.00	3.00
	85000 (PY 85000) shares of Neel Industries Pvt Ltd	442.10	402.85
	217633 (PY 217633) shares of JBM Industries Ltd.	2,074.66	1,825.08
	89300 (PY 89300) shares of Shreeaumji Infrastructure & Projects Pvt. Ltd.	249.73	383.86
	Nil (PY 7670) HDB FINANCIAL SERVICES LIMITED	-	50.00
	Fully paid up of face value ₹ 1 each		
	(PY Nil) shares of Oravel Stays Limited	112.45	-
	Fully paid up of face value ₹ 100 each		
	3808 (PY 3808) shares of NAP Investment & Leasing Pvt. Ltd	96.54	84.86
		26,299.65	**24,493.21**
		106,092.65	**117,219.93**
B.	**Investment in preference shares (at cost)**		
	1% non cummulative redeemable preference shares of ₹ 10 each		
	Nil (PY 1287900) shares of Shreeaumji Infrastructure & Projects P. Ltd.	-	128.79
	2500000 (PY 2500000) shares of JBM Projects & Infrastructure Pvt. Ltd.*	250.00	250.00

Notes to financial statements Amount in ₹ Lacs

Note No	Particulars	As at 31 March 2026	As at 31 March 2025
	(* In PY 2500000 shares of Faridabad Presswell Pvt. Ltd. which was merged into JBM Projects & Infrastructure Pvt. Ltd.)		-
			-
	1% Redeemable preference shares of ₹ 10 each		-
	179018 (PY 179018) shares of KR Chawla Consulting Pvt. Ltd.	1.65	1.65
	* In PY 16469 shares of JBM Corporate Services Pvt. Ltd. which was amalgamated into KR Chawla Consulted Pvt. Ltd. and 179018 shares were alloted in exchange		-
			-
	1% compulsory convertible non-cumulative redeemable preference shares of ₹ 10 each		-
	250000 (PY 250000) shares of JBM Projects & Infrastructure Pvt. Ltd.	25.00	25.00
		276.65	**405.44**
C.	**Investment in debentures (at cost)**		
	0.001% compulsory convertible debentures of ₹ 10 each		
	100000 (PY 100000) debentures of Satish Buildwell Private Limited	10.00	10.00
		10.00	**10.00**
D.	**Investment in units of Mutual Fund (at FVTPL)**		
	57.754 (PY 57.754) units of Nippon India Liquid Fund	0.88	0.88
	175.333 (PY 175.333) units of Nippon India Low Duration Fund	1.78	1.78
	49,503.43 (PY 49503.425) Abakkus Diversified Alpha Fund	901.00	775.69
	Nil (PY 522410.895) Canara Robeco Small Cap Fund	-	179.71
	Nil (PY 28562.159) SBI Contra Fund	-	102.39
	Nil (PY 319388.701) TATA Small Cap Fund	-	115.84
	2,00,534.86 (PY 200534.8645) UTI Structured Debt Opprtunities Fund	210.20	204.33
	997.80 (PY 806.213) ISAF III ONSHORE FUND	103.58	81.31
	Kotak Equity Arbitrage Fund - Regular Plan - Growth	6.43	6.11
	Nil (PY 499975.001) Mirae Asset Multi Asset Allocation Fund Direct Plan Growth	-	57.89
	Nil (PY 982436.644) Mirae Asset Multicap Fund - Direct Plan Growth	-	127.71
	Nil (PY 5,09,866.409) Mirae Asset Nifty Smallcap 250 Momentum Fund	-	47.77
	Nil (PY 999950.002) Motilal Oswal Small Cap- Reg	-	124.50
	SMC GLOBAL SECURITIES LTD-Growth	177.85	184.18
	27882 (PY 21000) True North Credit Opp Fund I	289.38	216.51
	Nil (PY 999950.002) Motilal Oswal Digital India Fund	-	98.42
	Nil (PY 94473.05) Motilal Oswal Midcap Fund	-	87.51
	INDIA RESURGENCE FUND 2 SCHEME 1	160.77	64.20
	375000 (PY 275000) LC VENTURE DEBT FUND	373.19	279.93
		2,225.06	**2,756.66**
E.	**Investment through PMS (at FVTPL)**		
	In Equity Shares	4,293.36	2,801.51
	In Mutual Funds	-	-
		4,293.36	**2,801.51**
		112,897.72	**123,193.54**
	Investment at FVTOCI	**106,092.65**	**117,219.93**
	Investment at FVTPL	**6,518.42**	**5,558.17**
	Investment at Cost	**286.65**	**415.44**

The fair valuation of investments in all unlisted entities has been carried out based on the latest available audited financial statements as at March 31, 2025, since audited financial information as at March 31, 2026 was not available for these investee entities as of the date of approval of the financial statements.

During the year, the Company subscribed to additional equity shares issued by the following investee entities. Pending availability of updated financial information and corresponding valuation exercise, such shares have been recognised at their acquisition cost (i.e., the subscription consideration paid by the Company) without any fair value adjustment as at March 31, 2026:

1. A to Z Securities Limited – 1,26,00,000 equity shares of INR 10 each acquired at an aggregate cost of INR 12,60,00,000.
2. Shuklamber Exports Limited – 23,30,000 equity shares of INR 10 each acquired at an aggregate cost of INR 2,33,00,000.

Accordingly, the fair value adjustment recognised in Other Comprehensive Income ("OCI") in respect of these investments primarily reflects the change in valuation of the Company's existing shareholding determined with reference to the valuation as at March 31, 2025. No separate fair value adjustment has been recognised in respect of the additional shares subscribed during the year.

6 **Other Financial assets**

Notes to financial statements Amount in ₹ Lacs

Note No	Particulars	As at 31 March 2026	As at 31 March 2025
	Security deposits	15.03	15.03
	Inventories of Stock of Shares (at FVTPL)	0.02	0.02
	Other Advances	0.02	6.00
	Advance for Investments	-	-
		15.08	**21.06**
7	**Current tax assets (Net)**		
	Current tax assets (Net)	-	-
	Non-Current tax assets (Net)	-	39.31
		-	**39.31**
8	**Deferred tax assets (net)**		
	Deferred tax assets (net)	3.01	44.51
		3.01	**44.51**
	On account of timing difference in		
	Property, plant and equipment	-0.12	0.16
	Impairment reserve	3.13	44.35
		3.01	**44.51**
	Movement in deferred tax	**41.50**	**19.27**
	Charged to Profit and Loss Statement	41.50	19.27
10	**Trade payables**		
	Due to micro enterprises and small enterprises (also refer Note 33)	-	-
	Due to others	-	-
		-	**-**
11	**Borrowings (Other than Debt Securities)**		
	Loans repayable on demand (at amortised cost)		
	From bank and financial institution	85.40	80.68
	From Others	746.72	1,306.88
		832.13	**1,387.55**
12	**Other financial liabilities**		
	Payable to employees	-	3.44
	Payable to Others	1.35	454.38
		1.35	**457.82**
12	**Current tax liabilities (Net)**		
	Current tax liabilities (Net)	348.39	57.36
		348.39	**57.36**
13	**Other non-financial liabilities**		
	Security Deposit	-	-
	Payable to statutory authorities	0.52	11.44
		0.52	**11.44**
14	**Equity Share capital**		
a	**Authorised**		
	2,60,00,000 Equity Shares of ₹ 10 each	2,600.00	2,600.00
b	**Issues, subscribed and fully paid-up in cash:**		
	2,50,55,500 Equity Shares of ₹ 10 each	2,505.55	2,505.55
		2,505.55	**2,505.55**

c **Reconciliation of Shares Outstanding**

Particulars		Number of Shares
As at 01 April 2024		25,055,500
Issued during the financial year 2024-25		-
As at 31 March 2025	**-**	**25,055,500**
Issued during the financial year 2025-26		-
As at 31 March 2026	**-**	**25,055,500**

d **Equity Shares held by shareholders holding more than 5% shares**

Name of Shareholder	No. of Shares held	%age of Holding
As at 31 March 2026		
Shuklamber Exports Limited	3,733,250	14.90%
Focal Leasing & Credits Limited	5,759,750	22.99%
A To Z Securities Limited	3,507,750	14.00%

Notes to financial statements Amount in ₹ Lacs

Note No	Particulars	As at 31 March 2026	As at 31 March 2025
	Amity Infotech Private Limited	3,803,100	15.18%
	Zeal Impex & Traders Private Limited	3,858,900	15.40%
	JBM International Limited	2,380,250	9.50%
	As at 31 March 2025		
	Shuklamber Exports Limited	3,733,250	14.90%
	Focal Leasing & Credits Limited	5,759,750	22.99%
	A To Z Securities Limited	3,507,750	14.00%
	Amity Infotech Private Limited	3,803,100	15.18%
	Zeal Impex & Traders Private Limited	3,858,900	15.40%
	JBM International Limited	2,380,250	9.50%

e **Terms/Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par Value of ₹ 10 per Share. In the event of Liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholdrs.

g **Shareholding of Promoters**

Promoter name	% of total shares
As at 31 March 2026	
Focal Leasing & Credits Limited	22.99%
As at 31 March 2025	
Focal Leasing & Credits Limited	22.99%

Note No	Particulars	As at 31 March 2026	As at 31 March 2025
15	**Other equity**		
a	**Retained Earnings/(Deficit)**		
	Opening Balance	5,054.46	3,968.78
	Add: Profit for the year	3,254.62	1,251.62
	Less: Transfer to Impairment Reserve	181.37	84.38
	Less: Transfer to Statutory Reserve	(650.92)	(250.32)
	Closing Balance	**7,839.53**	**5,054.46**
b	**Statutory reserve u/s 45-IC of RBI Act**		
	Opening Balance	1,220.63	970.31
	Addition during the Year	650.92	250.32
	Closing Balance	**1,871.55**	**1,220.63**
c	**Impairment Reserve ***		
	Opening Balance	193.83	278.21
	Addition during the Year	(181.37)	(84.38)
	Closing Balance	**12.46**	**193.83**
	* also refer Note No. 27		
d	**Other reserves**		
	Equity Instrument FVTOCI		
	Opening Balance	115,210.18	98,451.61
	OCI for the year before income tax	-12,186.62	16,758.57
	Gain on sale/redmption of Investment	-	-
	Income tax impact on gain	-	-
	Closing Balance	**103,023.57**	**115,210.18**
	Debt Instrument FVTOCI		
	Opening Balance	8.69	7.42
	OCI for the year before income tax	-	1.27
	Closing Balance	**8.69**	**8.69**
		112,755.80	**121,687.80**

Note	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
16	**Interest Income**		
	Interest on loans (at amortised cost)	318.08	180.05
	Interest on deposits with banks (at amortised cost)	3.37	92.00
		321.44	**272.04**
17	**Dividend Income**		
	Dividend Income	1,586.54	818.87
		1,586.54	**818.87**
18	**Net gain/(loss) on fair value changes**		
	Net gain/(loss) on financial instruments at fair value through profit or loss		
	On trading portfolio	-	-
	On financial instruments designated at FVTPL	635.39	439.82
		635.39	**439.82**
	Fair Value changes:		
	Realised	-	-
	Unrealised	635.39	439.82
		635.39	**439.82**
19	**Other Income**		
	Income from Investment Fund	81.33	135.03
	Business Income-Debt Fund	(0.37)	(7.23)
	Long Term Capital Gain	1,543.18	70.81
	Short Term Capital Gain	(84.14)	68.40
	STCG - Building	42.65	-
	Rent Received	118.44	102.64
		1,701.09	**369.64**
20	**Employee benefit expense**		
	Salaries and wages	39.29	33.84
	Staff welfare	0.29	-
	Directors sitting fees	6.30	6.30
		45.88	**40.14**
21	**Financing expenses**		
	Interest on loans	50.67	122.77
		50.67	**122.77**
22	**Depreciation and amortization expense**		
	Depreciation on tangible assets	4.56	4.18
		4.56	**4.18**
23	**Other expenses**		
	Travelling and conveyance	8.38	10.05
	Printing and stationery	0.34	0.38
	Courier Expenses	8.79	0.01
	Rent	-	1.08
	Rates and taxes	1.07	4.83
	Property Tax	0.75	1.55
	Advertisement	0.32	0.37
	Legal and professional	76.04	62.52
	Computer & data processing expenses	0.34	0.04
	Office Repairs and maintenance	0.68	0.07
	Management Fees	39.45	30.58
	Donation	-	46.00
	Listing Fee	3.25	3.84
	Bank charges	0.04	0.05
	Miscellaneous Expenses	9.47	9.72

Note	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
	Auditors remuneration		
	As audit fee	4.00	4.00
		152.94	**175.09**
24	**Exceptional Items**		
	Profit on sale of fixed assets	-	-
	Expenses relating to right issue	-	-
		-	-
25	**Earning Per Share**		
	Net profits attributable to Equity Shareholders (₹ in Lacs)	3,254.62	1,251.62
	Weighted Average No. of Equity Shares		
	For Basic EPS	25,055,500.00	25,055,500.00
	For Diluted EPS	25,055,500.00	25,055,500.00
	Nominal Value per share (₹)	10.00	10.00
	Basic EPS (₹)	**12.99**	**5.00**
	Diluted EPS (₹)	**12.99**	**5.00**

SMC Credits Limited
CIN L65910DL1992PLC049566
Notes to financial statements

Note No. 9: Property, plant and equipment

Amount in ₹ Lacs

Current Year

Particulars	Gross Block				Depreciaton				Net Block	
	As at 01 April 2025	Addition	Sale	As at 31 March 2026	As at 01 April 2025	for the year	adjustment	As at 31 March 2026	As at 31 March 2026	As at 31 March 2026
Tangible Assets										
Land ^	56.38	-	-	56.38	-	-	-	-	56.38	56.38
Building	135.60	-	15.16	120.44	43.38	3.52	3.21	43.70	76.74	92.22
Furniture & Fixture	6.11	0.15	-	6.26	5.41	0.07	-	5.47	0.79	0.70
Office Equipment	3.27	1.19	-	4.46	3.03	0.28	-	3.31	1.15	0.24
Computers	1.18	0.22	-	1.40	0.67	0.68	-	1.36	0.05	0.51
Total	**202.54**	**1.57**	**15.16**	**188.95**	**52.49**	**4.56**	**3.21**	**53.84**	**135.11**	**150.04**
Previous Year	**201.96**	**0.58**	**-**	**202.54**	**48.32**	**4.17**	**-**	**52.49**	**150.04**	**153.64**

^ refer note 28 also

26 (A) Statement in pursuance of NBFC Auditor's Report (Reserve Bank) Directions, 2016:

a) The Company has obtained a Certificate of Registration (CoR) from the Reserve Bank of India.

b) The Company has financial assets and financial income more than 50% of total assets and total income respectively and therefore it is entitled to continue to hold CoR.

c) The Company has meet the requirement of minimum Net Owned Fund (NFO) of Rs. 5 crore.

d)(i) The Board of Directors has passed a resolution for the non-acceptance of any public deposits.

(ii) The Company has not accepted any public deposit during the year and

(iii) The Company has complied with the prudential norms relating to income recognition, accounting standard, assets classification and provisioning for bad and doubtful debts as applicable to it.

(B) Schedule in terms of paragraph 13 of Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Liabilities Side;		**Amount Outstanding**	**Amount Overdue**
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
a)	Debentures		
	: Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits)		
b)	Deferred credits	-	-
c)	Term loans	-	-
d)	Inter-corporate loans & borrowings	746.72	-
e)	Commercial paper	-	-
f)	Public deposits	-	-
g)	Other loans –		
	i) Working capital loans from banks	-	-
	ii) Security deposit for corporate guarantee	-	-
	iii) Unsecured loans	85.40	-
(2)	Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :		
a)	In the form of unsecured debentures :	-	-
b)	In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	-	-
c)	Other public deposits	-	-

Assets Side;		**Amount Outstanding**
(3)	Break-up of Loans and advances including bills receivables [other than those included in (4) below :]	
	a) Secured	-
	b) Unsecured	3,113.22
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
i)	Lease assets including lease rentals under sundry debtors	
	a) Financial lease	-
	b) Operating lease	-
ii)	Stock on hire including hire charges under sundry debtors :	
	a) Assets on hire	-
	b) Repossessed assets	-
iii)	Hypothecation loans counting towards EL / HP activities	
	a) Loans where assets have been repossessed	-
	b) Loans other than (a) above	-

Assets Side;		**Amount Outstanding**
(5)	Break-up of Investments :	
1.	Quoted:	
i)	Shares:	
	a) Equity	79,793.00
	b) Preference	-
ii)	Debentures and Bonds	-
iii)	Units of mutual funds	2,225.06
iv)	Government Securities	-
v)	Others (please specify)	
	PMS	4,293.36
2.	Unquoted	
i)	Shares:	
	a) Equity	26,299.65
	b) Preference	276.65
ii)	Debentures and Bonds	10.00
iii)	Units of mutual funds	-
iv)	Government Securities	-
v)	Others (please specify)	-

(6) Borrower group-wise classification of all leased assets, stock-on hire and loans and advances — **Amount net of provisions**

Category		**Secured**	**Unsecured**	**Total**
1.	Related Parties			
a)	Subsidiaries	-	-	-
b)	Companies in the same group	-	-	-
c)	Other related parties	-	-	-
2.	Other than related parties	-	3,113.22	3,113.22
Total		**-**	**3,113.22**	**3,113.22**

(7) Investor group-wise classification of all investments in shares and securities (both quoted and unquoted)

Category		**Market Value / Break up or fair value or NAV**	**Book value (net of provision)**
1.	**Related Parties**		
a)	Subsidiaries	-	-
b)	Companies in the same group	-	-
c)	Other related parties	-	-
2.	Other than related parties	112,897.72	112,897.72
Total		**112,897.72**	**112,897.72**

(8) Other Information

Particulars		**Amount in ₹ Lacs**
i)	Gross Non-Performing Assets	
	a) Related paties	-
	b) Other than related parties	-
ii)	Net Non-Performing Assets	
	a) Related paties	-
	b) Other than related parties	-
iii)	Assets acquired in satisfaction of debt	-

Notes to financial statements Amount in ₹ Lacs

27 The Company has recognised impairment loss on loans and other financial assets based on the expected credit loss (ECL) model as required by Ind AS 109 read with notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019-20 Dated 13 March 2020 issued by Reserve Bank of India on Implementation of Indian Accounting Standards. Vide para 2(b) of annexure to the notification, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. Consequently, loans and other financial assets have been stated at fair value adjusted with impairment loss, if any, and short/excess amount has been debited/credited to Impairment Reserve.

Comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' as of 31 March 2026

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
(a) Performing Assets						
Standard	Stage 1	3,113.22	-	3,113.22	12.45	(12.45)
(b) Non PerformingAssets (NPA)						
Sub-Standard	Stage 1	-	-	-	-	-
Total (a+b)		**3,113.22**	**-**	**3,113.22**	**12.45**	**(12.45)**

28 Contingent liabilities and commitments (to the extent not provided for):-

Particulars	As at 31 March 2026	As at 31 March 2025
Contingent liabilities		
Income Tax matters *	-	23.69
Commitments		
Guarantees to financial institution against credit facilities ^	8,500	8,500

* demand as appearing in online income tax portal.
^ credit facliity availed by un-related party by way of mortgage of company's land (refer Note 9)

29 **Fair values**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that investments, cash and cash equivalents, trade receivables, short term borrowings, trade payables and short term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

30 **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company is exposed to various financial risk such as market risk, credit risk and liquidity risk. The Company's senior management has assigned the responsibility to oversee the management of these risks to its treasury team. The treasury team assesses the financial risks and takes appropriate action to mitigate those risks. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Notes to financial statements Amount in ₹ Lacs

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and security deposits.

The sensitivity analyses in the following sections relate to the position as at 31 March 2026 and 31 March 2025.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post-retirement obligations and other provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any obligations with floating rate of interest. Accordingly, the Company is not exposed to interest rate risks.

c. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company do not have any significant exposure to foreign currency risks as there are no significant foreign currency denominated assets / liabilities.

d. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Balances with banks

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is the carrying amounts of balances with banks.

e. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term bank loans, short term borrowings and finance leases etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables						
Year ended 31 Mar 2026	-		-	-	-	-
Year ended 31 Mar 2025	-	-	-	-	-	-
Borrowings						
Year ended 31 Mar 2026	832.13	-	-	-	-	832.13
Year ended 31 Mar 2025	1,845.37	-	-	-	-	1,845.37

31 Capital management

A. Objectives, policies and processes of capital management

For the purpose of the Company's capital management, capital includes issued equity capital and other equity attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt-equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Notes to financial statements Amount in ₹ Lacs

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.

B. Analytical Ratios

The Company is a Non Core Investment Company (CIC), not accepting deposit from public and is a non-systemically important NBFC. The company is not exposed to any regulatory imposed capital requirements. Thus, the following analytical ratios are not applicable to the Company:

i) Capital to risk-weighted assets ratio (CRAR)
ii) Tier I CRAR
iii) Tier II CRAR
iv) Liquidity Coverage Ratio

32 Related Party Transactions

In accordance with Ind AS -24 "Related Party Disclosure", disclosure of related parties & related party trasactions entered into during the year are given below:-

A. List of Related Parties

Key Management Personnel (KMP)

Name of Related Parties	Nature of Relationship
Rajesh Goenka	CFO/Whole-Time Director
Ankit Aggarwal	Company Secretary
Manish Manwani	Director (Appointed on 25.04.2024)
Jyoti Rajshree	Independent Director
Rajesh Ramnani	Independent Director

B. Significant Transactions with Related Parties:

Party Name	Nature of Transaction	For the year ended 31 March 2026	For the year ended 31 March 2025
Rajesh Goenka	Salary Expenses	13.56	11.52
Ankit Aggarwal	Salary Expenses	3.69	6.83
Ankit Aggarwal	Professional Charges	0.90	-
Jyoti Rajshree	Sitting Fees	2.40	2.40
Manish Manwani	Sitting Fees	1.50	1.50
Rajesh Ramnani	Sitting Fees	2.40	2.40
Kaira Dewani	Legal and Professional Fees	-	-

C. Balance Outstanding:

Nature of Transaction	For the year ended 31 March 2026	For the year ended 31 March 2025
Ankit Aggarwal	0.23	0.79
Rajesh Goenka	-	1.25

33 The company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collected only to the extent of information received as at balance sheet date. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31 March 2026.

34 Ageing for trade receivables and trade payables

A Trade Receivables as on 31 March 2026

	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed Trade receivables						
(i)	– considered good	7.82	-	-	-	-	7.82
(ii)	– which have significant increase in credit risk	-	-	-	-	-	-
(iii)	– credit impaired	-	-	-	-	-	-
	Disputed Trade receivables						
(iv)	–considered good	-	-	-	-	-	-
(v)	– which have significant increase in credit risk	-	-	-	-	-	-
(vi)	– credit impaired	-	-	-	-	-	-
	Total	**7.82**	**-**	**-**	**-**	**-**	**7.82**

Notes to financial statements Amount in ₹ Lacs

Trade Receivables as on 31 March 2025

	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed Trade receivables						
(i)	– considered good	17.91	-	-	-	-	17.91
(ii)	– which have significant increase in credit risk	-	-	-	-	-	-
(iii)	– credit impaired	-	-	-	-	-	-
	Disputed Trade receivables						
(iv)	–considered good	-	-	-	-	-	-
(v)	– which have significant increase in credit risk	-	-	-	-	-	-
(vi)	– credit impaired	-	-	-	-	-	-
	Total	**17.91**	**-**	**-**	**-**	**-**	**17.91**

B Trade Payable as on 31 March 2026

	Particulars	Outstanding for following periods from due date of payment					Total
		Amount not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	-	-	-	-	-
(ii)	Others	-	-	-	-	-	-
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**

Trade Payable as on 31 March 2025

	Particulars	Outstanding for following periods from due date of payment					Total
		Amount not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	-	-	-	-	-
(ii)	Others	-	-	-	-	-	-
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**

35 Additional Regulatory Information

i) All the title deeds of the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) is held in the name of the company.

ii) The Company has not granted Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

iv) The company does not have any borrowings from banks or financial institutions on the basis of security of current assets or otherwise.

v) The Company is not declared as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

vi) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

vii) The Company does not have any charges or satisfaction which is yet to be registered with The Registrar of Companies (ROC) beyond the statutory period.

viii) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

x) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

36 Segment Information

The company is not carrying any business operations except generating income from NBFC activities and these activities fall in a single business segment, thus there is no reportable segment within the meaning of Ind AS - 108 “Operating Segments”.

37 Impairment of Assets

The management is of the opinion that there is no impairment of assets as contemplated in Ind AS -38 “Impairment of Assets”.

38 Significant accounting judgements, estimates and assumptions

The preparation of the Company’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Judgments

In the process of applying the Company’s accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

39 Previous year’s figures have been rearranged and re-grouped wherever found necessary to make comparable with those of the current year and the figures has been rounded off to the nearest to rupee.

In terms of our Audit Report

For Kumar Ashwani & Associates
FRN. 008891N
Chartered Accountants

CA Shivam Gupta
MN. 534422
Partner
UDIN: 25534422BMMIFY1933

Date: 30.05.2026
Place: New Delhi

For and on behalf of the Board

Rajesh Goenka
DIN 00298227
Director

Jyoti Rajshree
DIN 09311715
Independent Director

Ankit Aggarwal
Company Secretary