



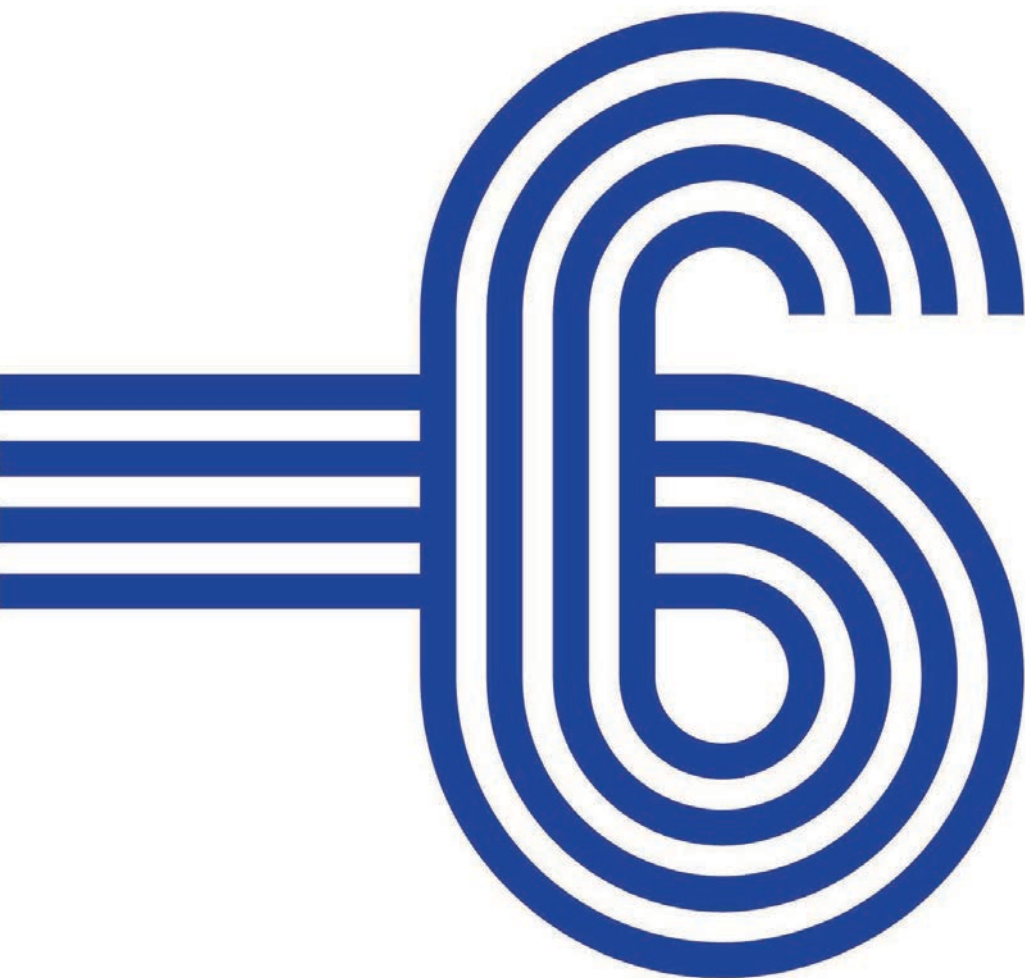
ANNUAL REPORT

FY 2024-25



ETHANOL & RICE MILLING SOLUTIONS

www.sonamachinery.com



ANNUAL REPORT FY 2024-25



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About Us

Sona Machinery Limited (SML) is a leading Indian OEM and EPC company specializing in rice mills, grain milling solutions, and grain-based distilleries. With nearly three decades of engineering excellence, SML has established itself as a trusted partner for agro-processing industries, delivering end-to-end turnkey projects and advanced processing equipment known for durability, efficiency, and modern technology.

The company is recognized for its leadership in rice milling and ethanol solutions, but its expertise extends far beyond. SML designs and manufactures processing solutions for a wide variety of grains and commodities, including wheat, pulses, legumes, soya, and poppy seeds. Over the years, it has earned the trust of leading industry names such as: KRBL, Shree Lal Mahal, DD International – Rice processing, Ruchi Soya – Soya processing, RB Agro, Srinivas Dal Mill Pulses & besan processing, Gupta Enterprises – Poppy seed processing

These successful collaborations reflect SML's diverse capabilities, proven expertise, and strong customer satisfaction across multiple commodities.

Highlights – Sona Machinery Limited

- First Indian company to manufacture a slow RPM Whitener for rice mills, reducing breakage and improving yield.

- First Indian company in its segment to be listed on the NSE, marking a historic milestone.
- Only Indian company in its sector that operates as both an OEM and an EPC provider, offering complete plant and machinery solutions under one roof. 29+ years of proven expertise in agro-processing machinery and turnkey project solutions.

Diversified portfolio covering rice, wheat, pulses, legumes, soya, poppy seeds, and ethanol processing.

Innovation-driven growth with modern plant designs and advanced engineering, delivering the highest yield and earnings for our customers — truly giving them Sona (Gold).

Strong commitment to sustainability, compliance, and long-term value creation for stakeholders.

Vision & Outlook

SML's vision is aligned with the spirit of "Vocal for Local" and Make in India. By developing advanced, durable, and globally competitive machinery in India, the company reduces dependence on imports and strengthens domestic capabilities. With a strong leadership team, continuous investment in R&D, and a customer-first approach, SML is committed to expanding its footprint globally while promoting India as a hub for world-class agro-processing solutions.



MILESTONES

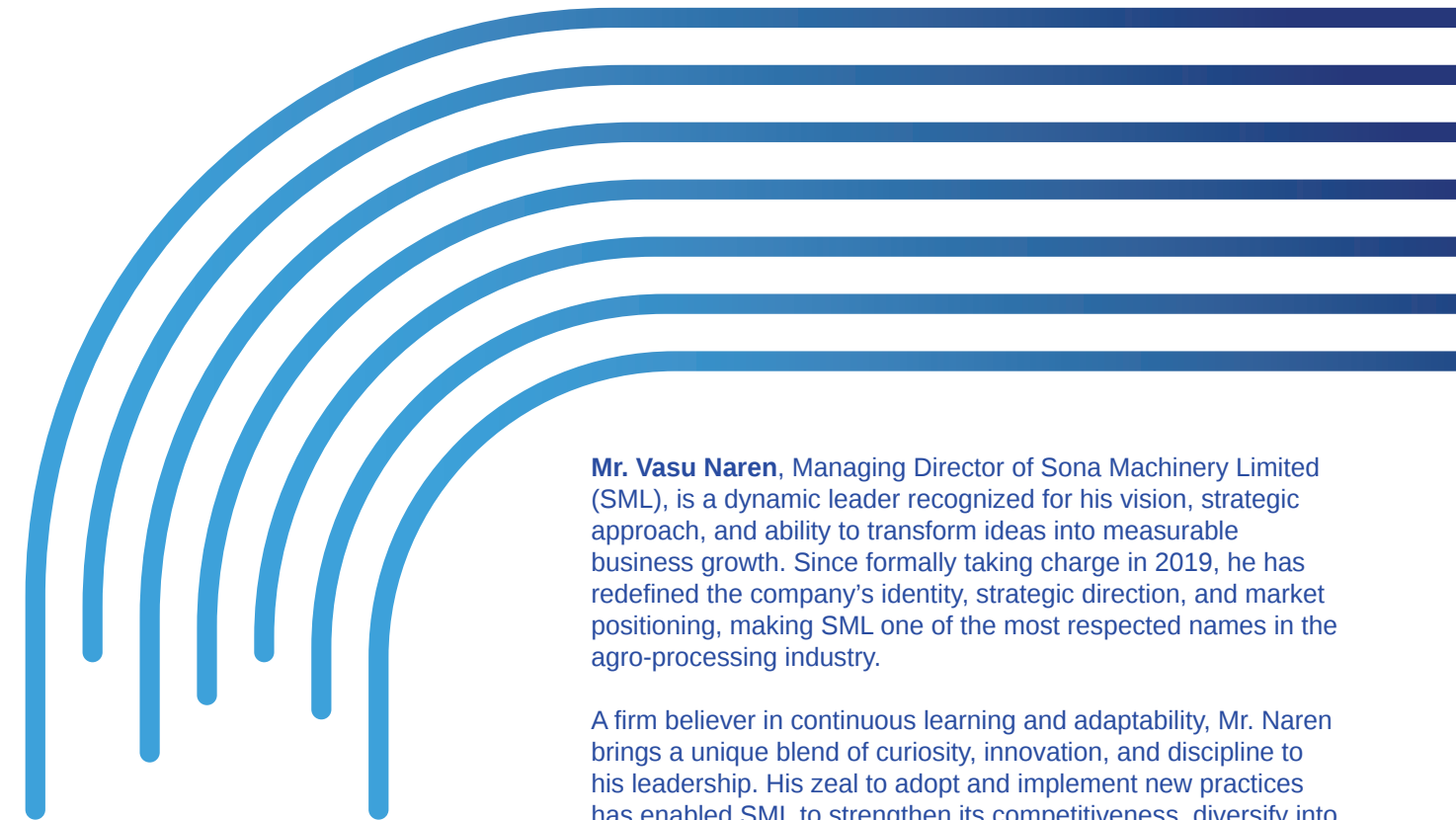
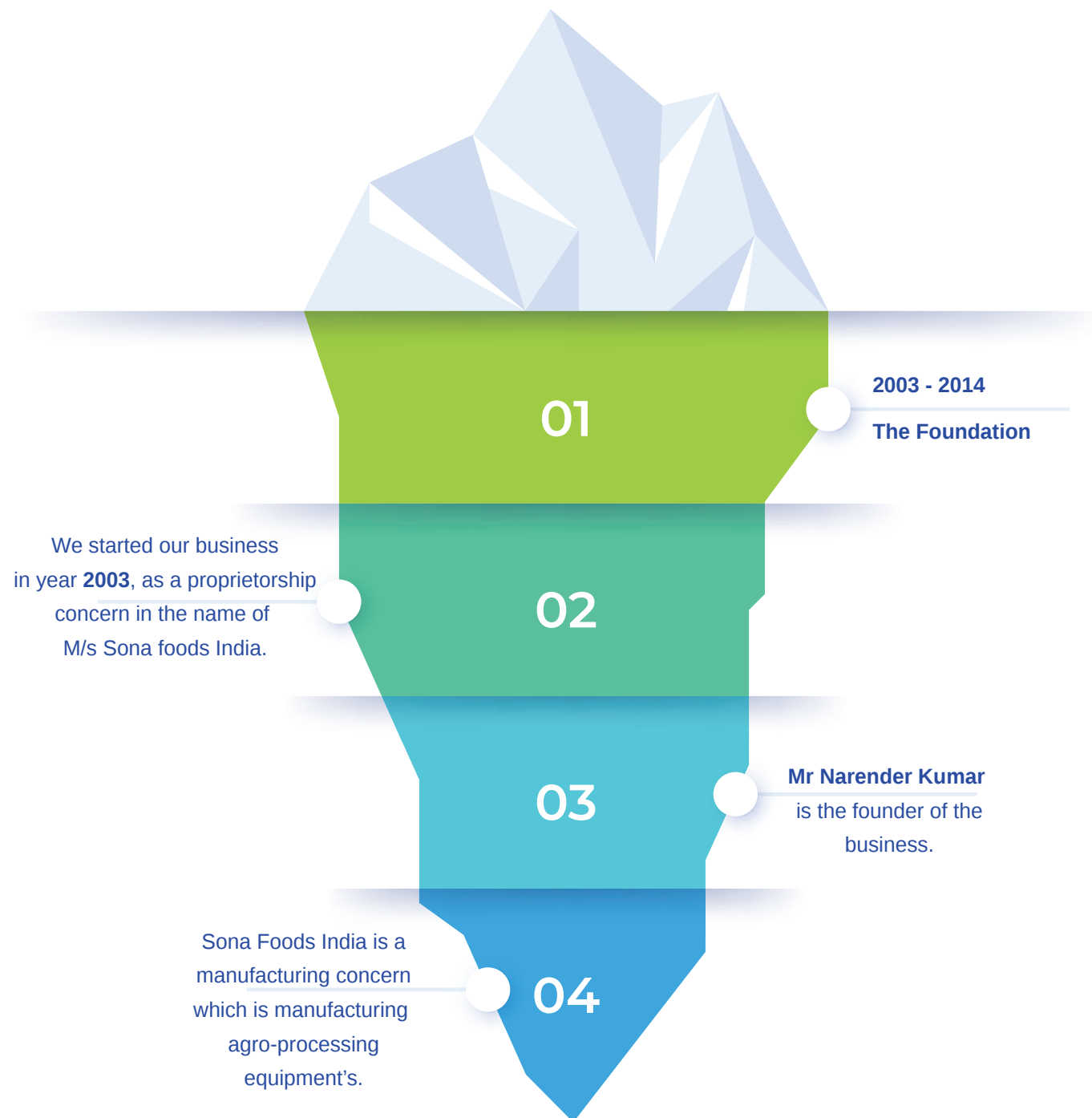


Mr. Narender Kumar
Founder

Mr Narender Kumar is the visionary founder of Sona Foods India. Drawing on his early experience in edible oil & Rice mills, he established the company in 1995, which was formally registered in 2003.

Starting with the manufacture of a single product in a modest workshop, he steadily expanded into a full range of rice milling machinery. Guided by his vision to develop strong and durable modern rice milling products within India—machinery that was previously only imported—he sought to bridge the gap created by the rapidly growing demand for advanced milling solutions.

By 2019, Sona Foods India had evolved into a recognized and trusted brand in the rice milling industry. That same year, the legacy transitioned to Sona Machinery Pvt. Ltd., ensuring continued growth under new leadership while upholding the principles and foundation laid by Mr. Kumar.



Mr. Vasu Naren, Managing Director of Sona Machinery Limited (SML), is a dynamic leader recognized for his vision, strategic approach, and ability to transform ideas into measurable business growth. Since formally taking charge in 2019, he has redefined the company's identity, strategic direction, and market positioning, making SML one of the most respected names in the agro-processing industry.

A firm believer in continuous learning and adaptability, Mr. Naren brings a unique blend of curiosity, innovation, and discipline to his leadership. His zeal to adopt and implement new practices has enabled SML to strengthen its competitiveness, diversify into new business areas, and achieve consistent growth.

Under his leadership, the company has reached several landmark achievements:

- **Brand Identity:** Introduced the modern Sona logo and brand identity, giving SML a refreshed, professional face aligned with its growth ambitions.
- **Geographical Expansion:** Successfully expanded into new markets, including southern India, building a stronger national footprint.
- **Business Diversification:** Established the Ethanol Division, which today contributes nearly 30–40% of the company's turnover.
- **Industry Recognition:** Honored with prestigious awards such as Brands Asia by BARC Asia, reinforcing the company's reputation for excellence.
- **Strategic Transformation:** Implemented forward-looking strategies that have strengthened both the top and bottom line of the P&L, driving sustainable profitability.
- **Historic Milestone:** Achieved listing on the National Stock Exchange (NSE), making SML the first Indian company in its sector to accomplish this distinction.

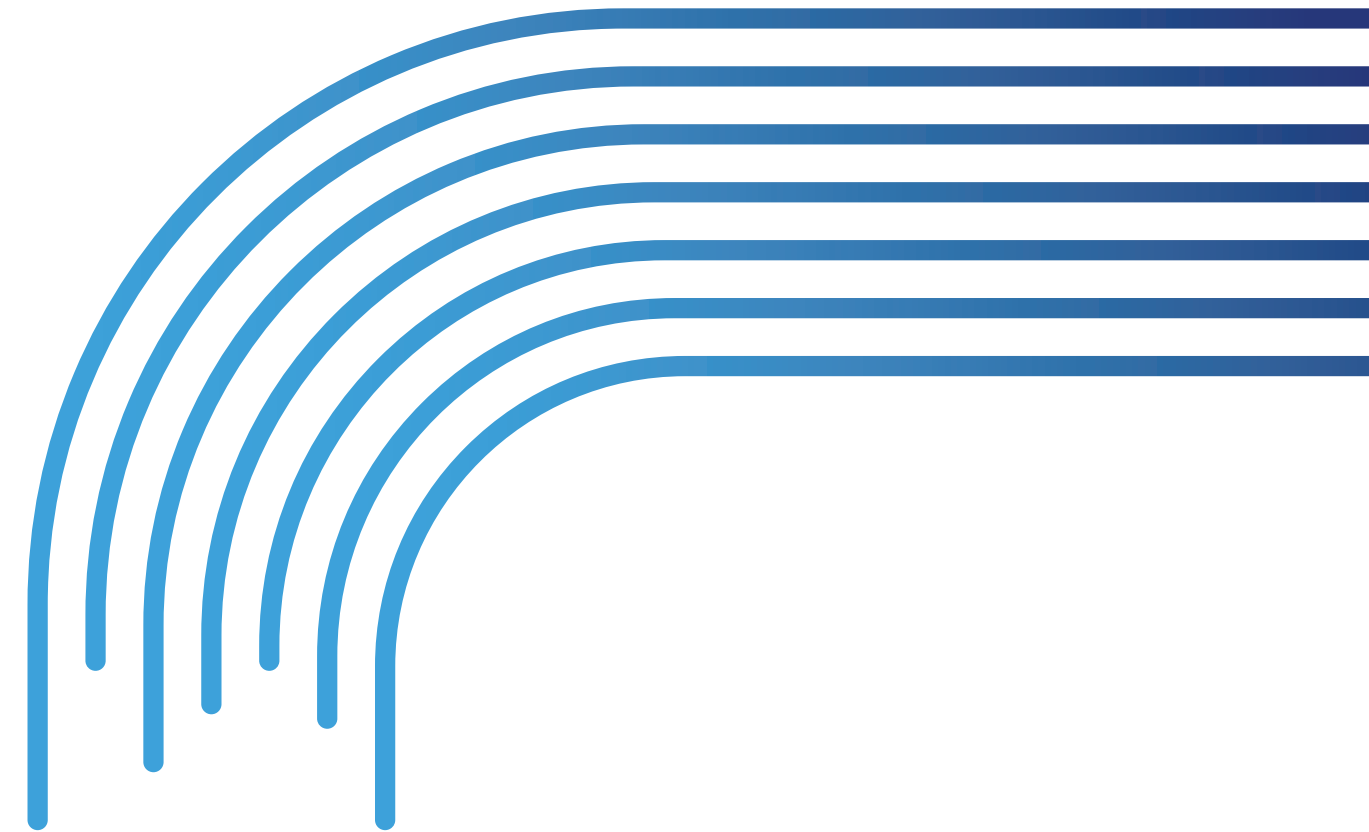


Mr Vasu Naren
Chairman & MD

Looking ahead, Mr. Vasu Naren's vision is to establish Sona Machinery as a global leader in agro-processing solutions, expanding its presence beyond India while continuing to invest in innovation, compliance, and customer-centric growth. His leadership philosophy combines strategic foresight with operational discipline, ensuring that SML remains a trusted partner for stakeholders and a driver of progress in the agro-processing industry.

Diversified in the Ethanol Division

- Sona Machinery becomes one of the country's leading Original Equipment Manufacturers (OEM) and supplier of a diversified range of Agri-Machinery Processing & EPC Solutions for Grain based Distilleries.



Ms. Shweta Baisla
Chief Financial Officer
& Whole Time Director

Ms. Shweta Baisla, Chief Financial Officer of Sona Machinery Limited, is a finance professional with a Master's in Business Administration from Delhi University, where she graduated as one of the top performers of her batch.

At SML, she has been a driving force in building professional financial systems and strong governance practices, ensuring compliance, transparency, and accountability across the organization. With her strong command over finance, taxation, and economics, she has guided the company in aligning its financial strategy with growth objectives.

Her contribution has been vital in achieving key milestones, including SML's successful listing on the NSE, making it the first Indian company in its sector to achieve this recognition.

Known for her strategic foresight and disciplined execution, Ms. Baisla continues to strengthen SML's financial foundation, enabling sustainable growth and building long-term value for all stakeholders.

Pan India Presence

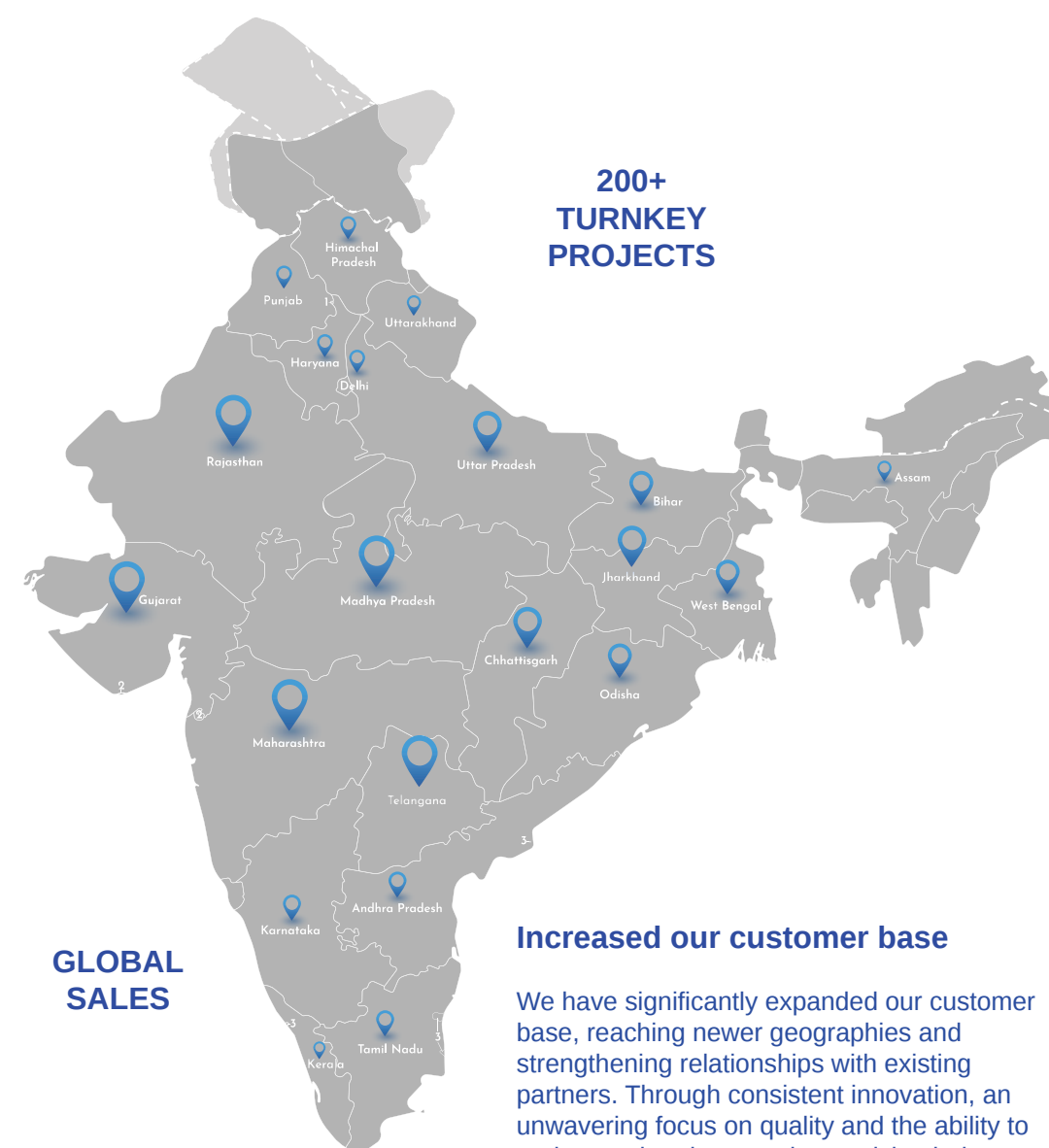
Robust and extensive pan-India & Global presence in Nigeria, Bangladesh, Kenya, Nepal etc.



2024 - 2025 Completed one year as a listed company

This financial year marked the successful completion of our first year as a publicly listed company. It has been a year of remarkable learning, resilience and growth, where we have not only demonstrated our ability to perform under the scrutiny of public markets but also strengthened the trust and confidence of our investors. Being listed has given us enhanced visibility, credibility and responsibility, all of which we continue to uphold with integrity and discipline.

200+
TURNKEY
PROJECTS



GLOBAL
SALES

Increased our customer base

We have significantly expanded our customer base, reaching newer geographies and strengthening relationships with existing partners. Through consistent innovation, an unwavering focus on quality and the ability to understand and respond to evolving industry demands, we have been able to attract a wider clientele. This growth reflects the market's recognition of our products and services as dependable, efficient and future-ready solutions.

SONA CARES



Transforming School Health

Smart Classroom
Inauguration



Smart
Classroom
Demo



Inaguration of
Handwash area





I would like to take this opportunity to extend my heartfelt gratitude to our esteemed Board of Directors for their invaluable guidance, to our dedicated employees whose commitment drives our progress, and to our shareholders, partners, and customers for their unwavering trust and support.

Your belief in Sona Machinery has been instrumental in shaping our journey thus far, and it continues to inspire us to aim higher. As we look ahead, we remain steadfast in our mission to strengthen our foundation, embrace innovation, and stay future-ready in an evolving industry landscape.

Together, we will continue to build Sona Machinery into a stronger, more dynamic, and resilient organisation, one that not only delivers excellence but also creates lasting value for all our stakeholders.

Sincerely,
Vasu Naren
Chairman & MD



FROM THE CHAIRMAN'S DESK

Well positioned to capitalise on opportunities

Dear Shareholders, Partners, and Colleagues,

It gives me great pride to present the Annual Report of Sona Machinery Limited (SML). The past year has been one of building resilience, strengthening systems, and preparing for the next phase of growth.

From a financial standpoint, we reported a slight decline in earnings compared to the previous year. This was primarily due to two factors: first, the economic imbalances and uncertainties that influenced customer decision-making and delayed some projects; and second, our strategic choice to prioritize onboarding new customers and expanding our market base. This was not about lowering earnings but about building scale and resilience. I am pleased to note that we successfully onboarded several reputed clients, and their contribution will significantly boost growth and profitability in the coming years. As we enter the new year, our focus is on reaping the harvest of what we sowed last year. We are aggressively working to increase the reach of SML by adding professionals at every level of the organization and establishing a nationwide dealer and distributor network.



At the same time, we are investing in new product development that will further strengthen SML's capabilities and market position in the years ahead.

I am also happy to share that we successfully completed and handed over our first Drier and Parboiling Plant in Nepal, with more such projects in the pipeline. This achievement reflects both our international progress and our commitment to delivering on milestones set earlier.

Looking forward, we are preparing to enter the flour milling industry, supported by experts in the domain, with customer negotiations already underway. In parallel, we are building an in-house Electrical Panel production division, onboarding specialists from the sector to integrate industrial automation into our solutions. These initiatives will not only strengthen our position in the EPC business for rice and ethanol, but also establish new revenue streams for the future.

In line with our Make in India vision, we are also in the process of developing a Colour Sorter machine in India, with the support of a dedicated team of experts. This initiative represents our long-term commitment to promote domestic manufacturing, reduce import dependency, and make Indian engineering globally competitive.

Looking further ahead, our strategic priorities remain clear:

Expand our global presence, entering new markets with confidence.

Deliver innovative engineering solutions that maximize yield and profitability for our customers.

Strengthen sustainability and automation, preparing our solutions for the future.

Drive "Vocal for Local" and Make in India by ensuring our entire product portfolio is designed and manufactured in India.

We remain confident in our strategy and our ability to deliver consistent growth and long-term value creation. I extend my sincere gratitude to our employees for their dedication, our partners for their collaboration, and our shareholders and customers for their trust. Together, we will continue to make the future truly Sona — golden.

Senior Management



Mr. Chandra Prakash Singh, President - Business Operations at Sona Machinery Limited, is a cross-functional leader with over 29 years of experience in strategic planning, market expansion, and customer engagement and improvement in top and bottom line of the business.

Mr. Singh holds B.Tech – EEE degree from National Institute of Technology – Warangal & backed up by management education from IIM Bangalore and the National University of Singapore. He is also a certificate Independent Director from the Indian Institute of Corporate Affairs.

At SML, he leads Sales, Marketing, Project Management, Service, and After-Sales, driving strategic initiatives with a sharp understanding of organizational needs. With an aggressive focus on execution, he works to achieve the shared vision of positioning SML as a globally admired brand in the agri and food processing industry.



Mr. Rajeev Chauhan, Plant Head at Sona Machinery Limited (SML), is a seasoned manufacturing professional with over 39 years of experience in plant operations, production efficiency, and quality control.

He holds a Bachelor's degree in Engineering from YMCA Institute of Engineering, Faridabad, and has extensive prior experience in the automobile industry, where he served as both Production Manager and Plant Head. This background equips him with the skills and expertise to drive operational excellence and support SML

At SML, Mr. Chauhan leads end-to-end plant operations, focusing on productivity optimization, quality assurance, and continuous improvement. His vision is to develop world-class manufacturing systems aligned with SML's commitment to quality, performance, and global competitiveness.

Senior Management



Mr. Raj Mohan P. Sharma, Vice President – HR & Administration at Sona Machinery Limited (SML), is an accomplished HR professional with over 25 years of experience in workforce strategy, digital HR initiatives, and leadership development.

He holds an MBA in HR & Finance from IMT Ghaziabad and brings deep expertise in building agile organizations that are both performance-driven and employee-centric.

At SML, Mr. Sharma is driving the company's people agenda, with a strong focus on agile team structures, digital transformation in HR, and future-ready

organizational frameworks. His vision is to build a high-performance, people-first culture that empowers talent, fosters innovation, and supports SML's global growth ambitions.



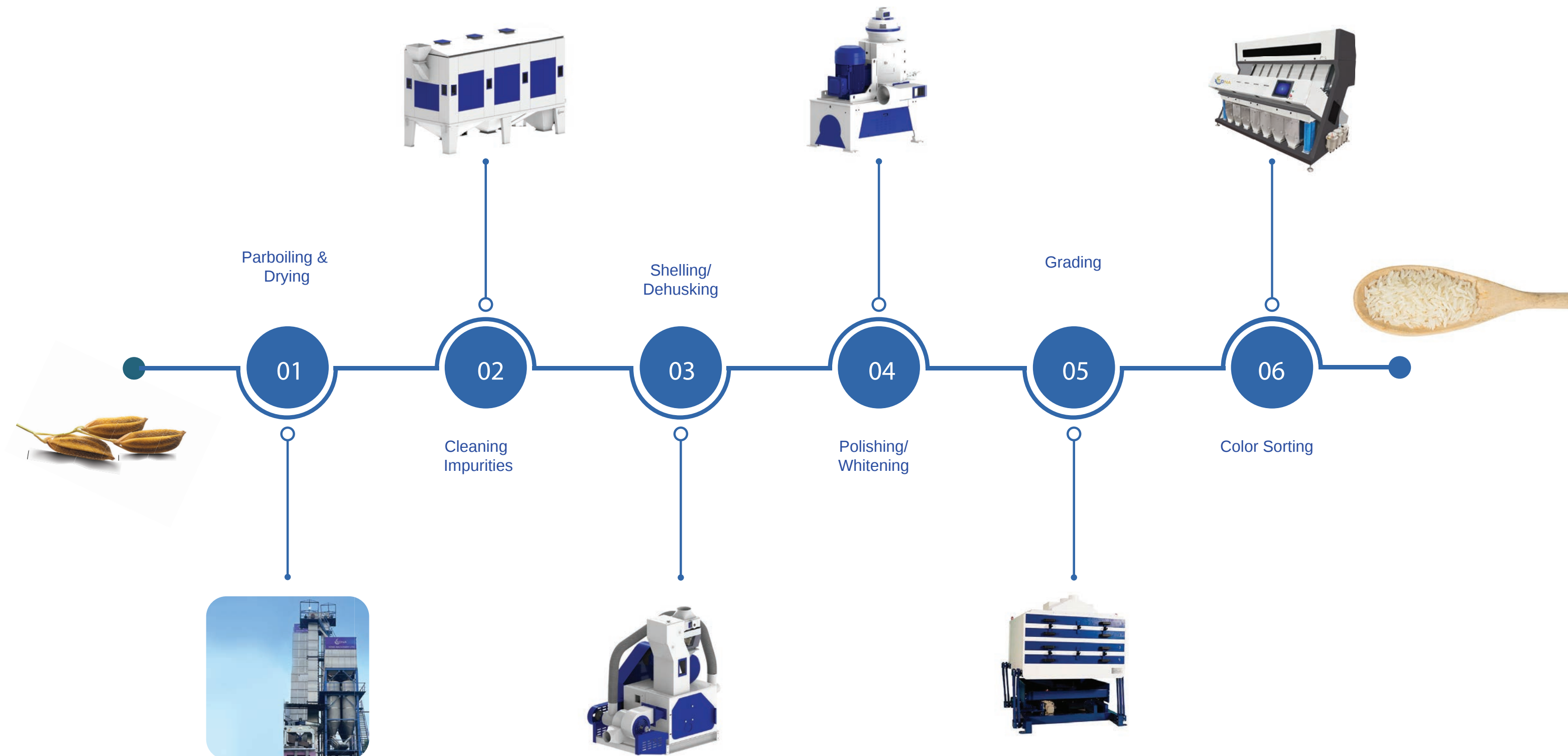
Mr. Naveen Khare, Vice President – Rice & Plant Automation at Sona Machinery Limited (SML), is an accomplished engineering professional with over 25 years of experience in electrical systems and plant automation.

At SML, Mr. Khare is focused on the company's goal of expanding its reach across every corner of India by building a strong network of dealers and distributors PAN-India. With his rich expertise in electrical engineering and automation, he is also aggressively driving the development of a new Electrical & Plant Automation division, aimed at strengthening SML's portfolio and making it more future-ready.

His vision is to transform agro-processing through smart automation, reinforcing SML's position as a leader in technological excellence and innovation.

Solutions For Every Step Of The Process

We have the full range of rice mill products needed for you, to produce high quality rice. Right from pre-cleaners to color sorters. Our products are manufactured completely in-house.



Sona Machinery Unveils FDRC-20

Next-Gen Twin Drum Rotary Sifter for High-Capacity Bio-Ethanol Plants

Latest innovation in flour sieving technology - the Fixed Drum Rotary Cleaner 20 (FDRC-20). Building on the success of the single-drum FDRC-10, the FDRC-20 features a twin-drum design engineered to meet the demands of modern, high-throughput ethanol production facilities.

The FDRC-20 was showcased at the Biofuel Expo 2025, where it attracted massive audience traction from industry leaders and technology enthusiasts alike. Its debut reaffirmed Sona's position as a frontrunner in ethanol processing innovation and its commitment to supporting India's renewable energy goals.

Designed to sift flour from grains like rice, maize, and sorghum post-hammer milling, the FDRC-20 efficiently segregates oversized particles (such as Dalia-sized remnants) and sends it back to the hammer milling for re-utilization, ensuring only fine flour moves forward for ethanol conversion. This continuous and automated separation process supports consistent output quality while optimizing milling efficiency.

This significantly reduces both footprint and equipment cost while offering operational flexibility through its dual motor system—allowing users to run one drum independently if needed. The FDRC-20 is a result of our continued investment in R&D and our deep understanding of the specific challenges faced by ethanol producers. We've combined performance, reliability, and ease of maintenance into a compact design that aligns with the high-capacity demands of the biofuel sector. It's a machine built not just for today's requirements, but for tomorrow's scale."

Key Features of the FDRC-20:

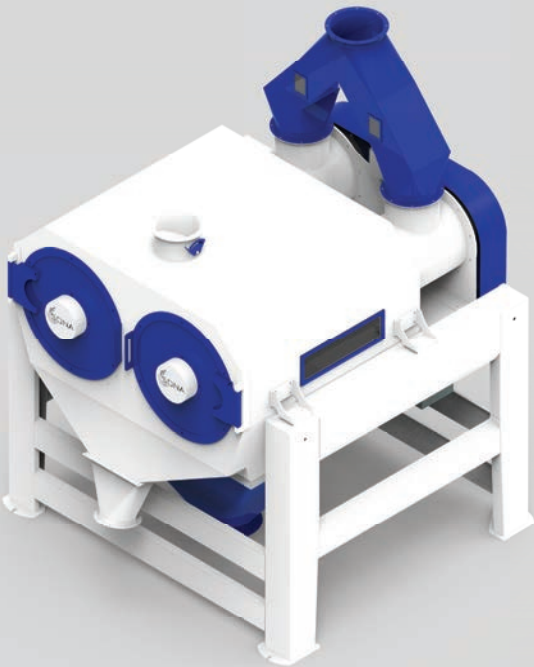
- Twin Drum Configuration: Ideal for processing Up to 20 Tons of flour per hour in high-capacity plants.
- SS 304 Contact Parts: Ensures food-grade hygiene and corrosion resistance.
- Dual 10 HP Motors: Provide energy-efficient, flexible operation.
- Built-in Aspiration System: Reduces dust and promotes cleaner plant environments.
- User-Friendly Design: Tool-free sieve-changing and continuous clog-free operation.

The machine uses a screw-assisted feeding mechanism and high-speed paddle rotation to apply centrifugal force, effectively pushing fine particles through precision sieves while routing oversized particles for reprocessing—enabling seamless, high-throughput screening in compact setups. As the country moves toward enhanced ethanol blending mandates and biofuel adoption, Sona Machinery continues to power the transition with scalable, sustainable, and efficient machinery solutions.

NEW LAUNCH

Twin Drum Rotary Sifter

FDRC 20



ACCURATE GRADING EFFICIENCY.

THICKNESS GRADER

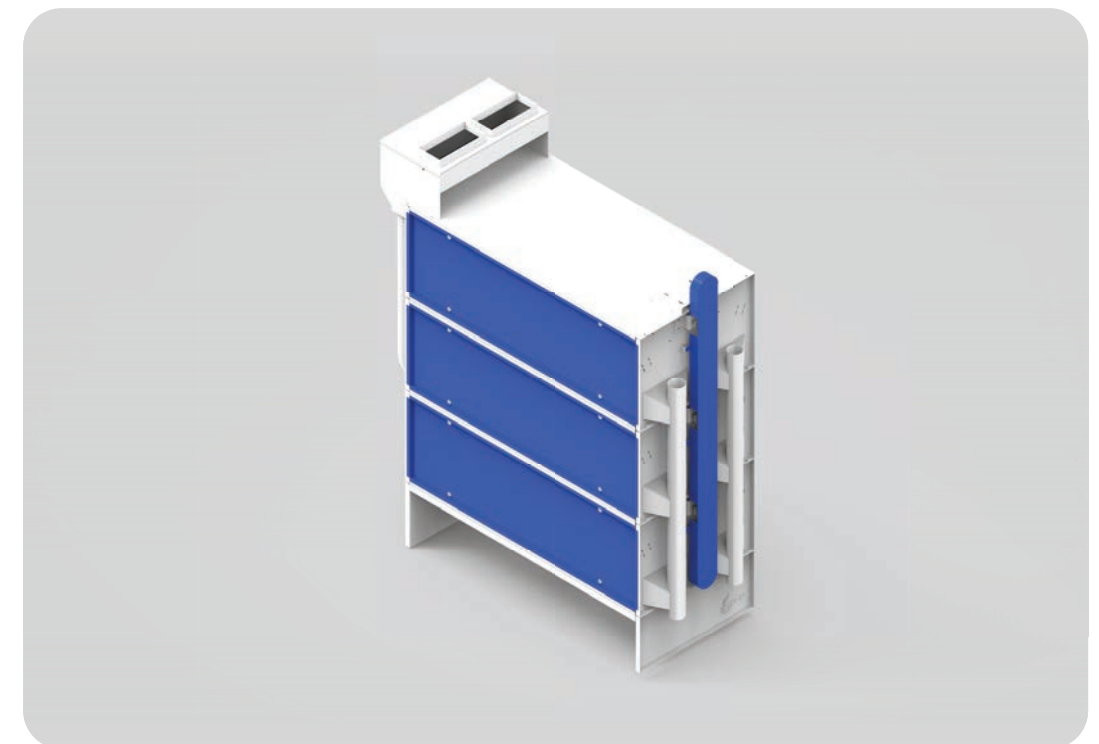
The Thickness Grader is a high-performance grading machine engineered for the precise separation of rice grains based on thickness. The machine operates on a cylindrical mesh sieve system, where rice grains are revolved through up to six rotating wire mesh sieves. This multi-stage separation process effectively isolates oversized, undersized, immature, or broken grains, ensuring a consistent and high-quality output.

Optimized for a range of rice varieties:
Short, Medium, Long based on process of Raw rice, steam, parboiled rice.

Even grain distribution
High precision slot width
Large open sieve area

NEW LAUNCH

Thickness Grader





Star Product
of the Year

Rice Whitener



Rice Whitener (Neo Series)

ONLY INDIAN
COMPANY TO MANUFACTURE
SLOW RPM WHITENER

Rice Whitener's work on the principle of friction, where the brown rice is equally fed by a distributor into the machine which has abrasive stones installed in it. The brown rice moves downward along with abrasive stones and the Bran is removed by friction in between the rice. The bran which is now in a powder form comes out through the sieves, which is then sucked out by aspiration system into the bran cleaner machine.

USP of Rice Whitener Neo-7

- **Gentle Milling, Brighter Results**
Designed with a larger abrasion surface area, the NEO Whitener ensures gentle handling of brown rice—delivering higher whiteness with each pass.
- **Superior Bran Removal**
Enhanced airflow with secondary air input quickly aspirate bran from screens, ensuring consistent performance and longer uptime.
- **Cooler Milling, Better Quality**
Optimized air circulation and strong aspiration reduce chamber temperatures—preserving rice quality, fragrance during processing.
- **Automation Ready**
Fully compatible with modern plant automation, the NEO Whitener supports remote operation and seamless integration for maximum efficiency.

Sona Machinery expands its presence in Nepal with a turnkey rice mill and parboiling dryer plant in Sarlahi Ishwarpur.

Sona Machinery, a listed (NSE: SONAMAC) industry leader in the rice & grain processing segment, has taken another significant step in expanding its global footprint with the successful launch of a state-of-the-art rice mill and parboiling dryer plant in Sarlahi Ishwarpur, Nepal.

This latest installation marks a new chapter for the company in Nepal, where it has already been involved in multiple rice mill setups. Unlike previous projects that worked around rice mill plant setup, this facility is a full turnkey solution – designed, manufactured, and commissioned entirely by Sona Machinery's in-house team. The addition of a parboiling dryer plant positions the installation as a comprehensive, one-stop solution for rice processing in the region.

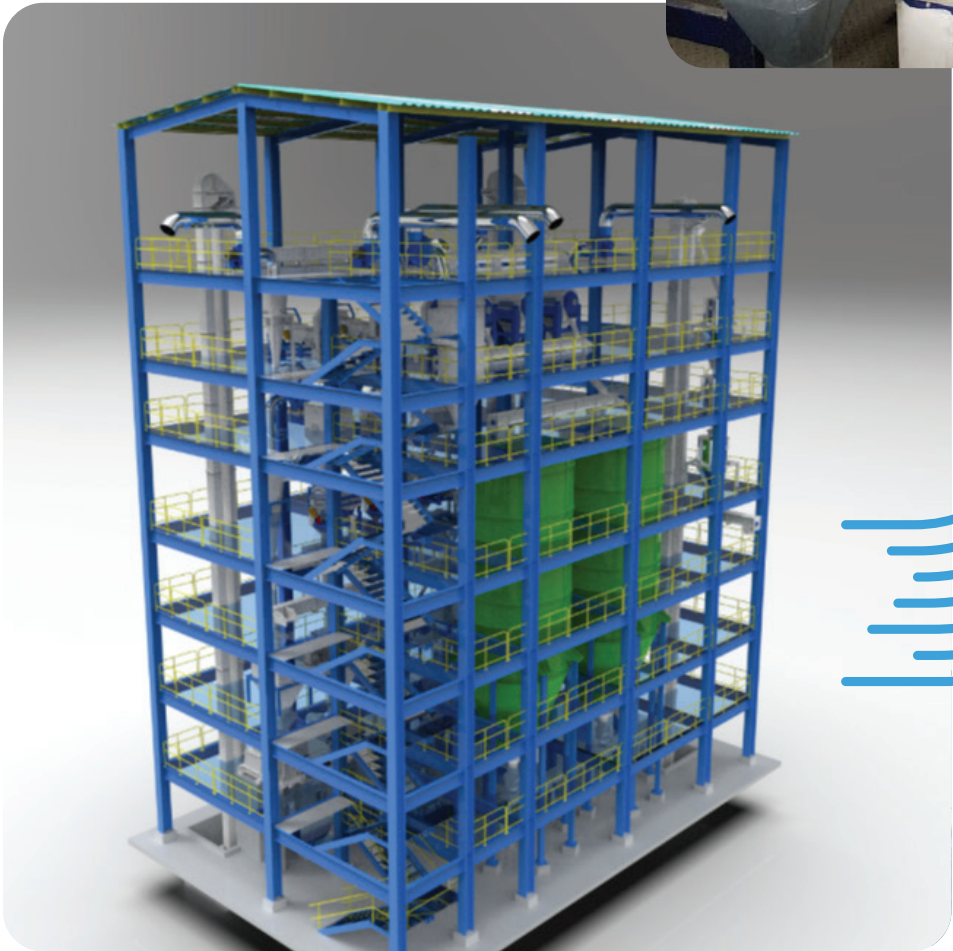
Speaking on the development, Mr. Vasu Naren, Chairman & Managing Director of Sona Machinery, said, "This project in Sarlahi Ishwarpur marks a milestone for us—not just in Nepal, but in our turnkey capability delivery. By offering everything from in-house manufacturing to final commissioning, we ensure higher efficiency, better quality control, and a seamless experience for our clients."

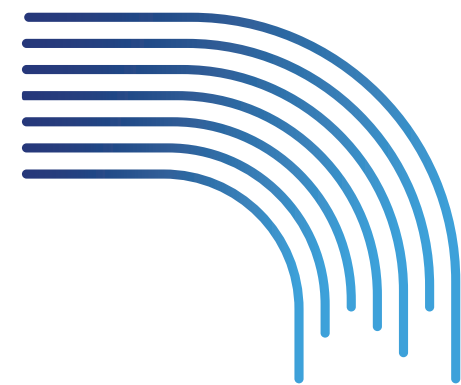
With over 200 successful projects across India and growing international projects in Kenya, Nigeria, South Africa, Bangladesh, and Nepal, Sona Machinery continues to empower agricultural economies through engineering excellence.

Looking ahead, the company plans to expand its rice mill & parboiling dryer plants, thereby providing one stop solution for turnkey rice mills, to European countries, Africa, and Bangladesh—reinforcing its vision of enabling global food security through robust, future-ready rice & grain processing solutions.



Grain Based Distilleries





Turnkey
Solutions
for Rice Mill



Company Information

**SHWETA
BAISLA**

**Chief
Financial Officer**

SUPRIYA

**Company Secretary
&
Compliance Officer**

Registered Office

228 3rd Floor
State Bank Nagar,
Paschim Vihar-1,
Paschim Vihar,
West Delhi,
New Delhi, Delhi,
India, 110063

CIN

L29256DL2019PLC345856



sonamachinery.com



finance@
sonamachinery.com

**Registrar &
Share Transfer Agent**

Maashitla Securities Pvt. Ltd
451, Krishna Apra
Business Square,
Netaji Subhash Place,
Pitampura, Delhi-110034
Contact: 011-45121798/
01145121795/ 01145121796
contact@maashitla.com

Bankers



Statutory Auditors

Sanjay V Gupta
& Associates,
Chartered Accountant

WZ-1047, Upper
Ground Floor,
Rani Bagh,
New Delhi-110034

Secretarial Auditors

MRS & Associates,
Practicing Company
Secretary, New Delhi

**Listing of
Equity Shares**

NSE (SME) Portal

**6th Annual
General Meeting**

AGM through
Video Conferencing/
Other Audio Visual Means
(VC/OAVM) Facility
[Deemed Venue for meeting:
Office: 228 3rd Floor State
Bank Nagar, Paschim Vihar-1,
Paschim Vihar, West Delhi,
New Delhi, Delhi, India,
110063

Financial Year

1st April - 31st March

Internal Auditor

ASC Consulting
Private Limited

Composition Of Board

Vasu Naren

Chairman and Managing Director
(Executive – Non-Independent)

Narender Kumar

Non-Executive Director

Shweta Baisla
WTD & CFO

Naman Jain

Non-Executive, Independent Director

Akash Kumar Bansal

Non-Executive, Independent Director

Preet Kumar

Non-Executive, Independent Director

Composition of Audit Committee

Naman Jain
Independent Director, Chairperson

Shweta Baisla
WTD & CFO, Member

Preet Kumar
Independent Director, Member

Composition of Nomination & Remuneration Committee

Naman Jain
Independent Director, Chairperson

Preet Kumar
Independent Director, Member

Akash Kumar Bansal
Independent Director, Member

Stakeholder & Relationship Committee

Preet Kumar
Independent Director, Chairperson

Naman Jain
Independent Director, Member

Vasu Naren
Chairman & Managing Director, Member

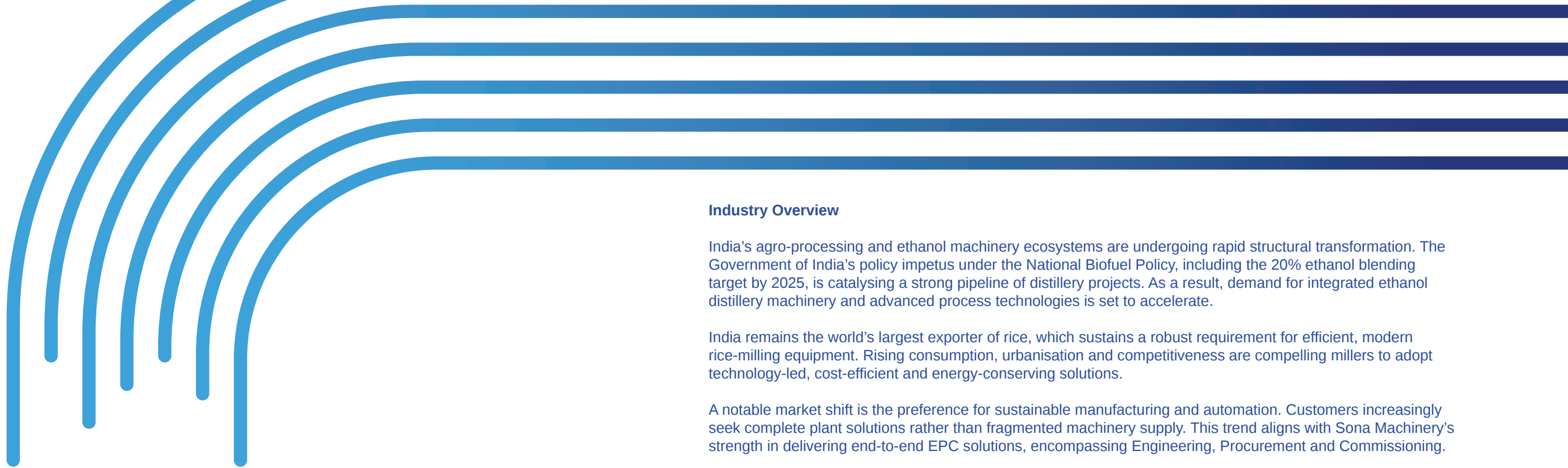
ICC Committee

Supriya
Presiding Officer

Yamini Chopra
Member

Rajeev Chauhan
Member

CS Shraddha Garg
External Member



MANAGEMENT DISCUSSION & ANALYSIS REPORT



Industry Overview

India's agro-processing and ethanol machinery ecosystems are undergoing rapid structural transformation. The Government of India's policy impetus under the National Biofuel Policy, including the 20% ethanol blending target by 2025, is catalysing a strong pipeline of distillery projects. As a result, demand for integrated ethanol distillery machinery and advanced process technologies is set to accelerate.

India remains the world's largest exporter of rice, which sustains a robust requirement for efficient, modern rice-milling equipment. Rising consumption, urbanisation and competitiveness are compelling millers to adopt technology-led, cost-efficient and energy-conserving solutions.

A notable market shift is the preference for sustainable manufacturing and automation. Customers increasingly seek complete plant solutions rather than fragmented machinery supply. This trend aligns with Sona Machinery's strength in delivering end-to-end EPC solutions, encompassing Engineering, Procurement and Commissioning.

Company Performance (FY 2024-25)

During the year, the Company executed a calibrated realignment of its ethanol segment to broaden the customer base and reduce client-concentration risk. While this shift moderated revenue versus FY 2023-24, Sona Machinery secured prestigious mandates from marquee clients such as Oasis distillery, SPAC Starch reflecting rising confidence in our technical depth and execution credibility.

The rice-milling machinery portfolio remained resilient, supported by steady domestic demand and healthy traction in export markets. Focused initiatives on margin enhancement through prudent negotiations, disciplined procurement, and operational rigour supported healthy profitability despite revenue moderation.

The Company also invested in product development to strengthen its technological edge. In-house design and development of the Pre-Mesher/Shifter progressed well, reinforcing a pipeline of innovative, efficient and cost-effective solutions for customers.

Strategic Initiatives

a) Post-Listing Progress: Following the successful listing on NSE Emerge (SME platform) on March 11, 2024, the Company has gained heightened visibility, stronger governance scaffolding and enhanced credibility with customers, vendors and investors.

b) Capacity Expansion: Work is advancing on a new, state-of-the-art manufacturing facility that will augment production capacity, optimise the supply chain and enable faster execution of large, complex projects.

c) Flour Mill Division: Diversification into flour-milling machinery complements leadership in rice-milling and ethanol equipment. This strategic addition is expected to temper cyclicity and address growth in packaged foods and flour markets.

d) Product Innovation and R&D: Strengthened internal R&D drove progress on the Pre-Mesher/Shifter and related innovations focused on higher throughput, accuracy and energy efficiency. Continuous innovation remains central to competitive positioning.

e) Human Capital: The Company strengthened its execution backbone by onboarding seasoned professionals across engineering, project management, and customer service, deepening organisational capability and agility.

Board Update

After the close of FY 2024-25, Mr. Narender Kumar rejoined the organisation as a non executive director.

Industry Legacy: Active in agro-processing since 1995, he founded Sona Foods India in 2003, laying the

groundwork for what is now Sona Machinery Limited.

Visionary Contribution: His technical acuity and customer-first approach enabled bespoke rice-milling and ethanol plant solutions, positioning the Company among India's respected OEMs.

Future Direction: With his return, the Company anticipates leveraging his valuable experience to further strengthen and enhance the capabilities of the management team.

Risks and Concerns

Policy and Regulatory Risk

Context: Ethanol EPC depends on biofuel policy, blending targets, pricing mechanisms, and regulatory approvals. Adverse policy changes or approval delays can affect project velocity.

Mitigation: Diversify across rice, flour, and allied agro-processing segments to reduce dependence on a single policy framework. Maintain policy monitoring and scenario planning.

Commodity and Input Cost Risk

Context: Steel, motors, and engineered components form a material share of project cost. Price volatility, supply disruptions, geopolitics and currency movements can pressure margins.

Mitigation: Long-term vendor partnerships and procurement contracts, selective use of price-variation clauses, and continuous design optimisation and operational efficiency to offset volatility.

Project Execution Risk

Context: Turnkey EPC mandates carry schedule, cost and quality risks that may impact profitability and client relationships.

Mitigation: Robust in-house execution with experienced engineers and project managers. Digital project monitoring, milestone controls and defined escalation protocols. Repeat business from reputed clients evidences delivery reliability.

SME Listing and Liquidity Risk

Context: SME-platform listings can have lower secondary-market liquidity than main-board peers, which may constrain broader institutional participation and increase price volatility.

Mitigation: Strengthen investor confidence through transparent disclosures, consistent performance, and proactive engagement. Evaluate migration to the Main Board as scale and eligibility mature.

Competition and Market Risk

Context: The agro-machinery and ethanol EPC landscape includes domestic and international players with aggressive pricing and new technologies.

Mitigation: Differentiate through custom-engineered solutions, superior quality, responsive after-sales service and ongoing R&D. Deepen strategic client relationships to raise switching costs.

Outlook

Ethanol Opportunity: The policy thrust toward 20% ethanol blending is sustaining a robust project pipeline supported by incentives and financing access. With established EPC credentials and marquee customers such as Zuari and Olam, the Company is positioned to consolidate leadership in ethanol EPC.

Modernisation of Milling: Rice, flour and grain milling in India is modernising to meet global standards and reduce losses. The flour-milling division, alongside established rice-milling and ethanol machinery, enables cross-selling and reduces cyclicity. In-house innovations such as the Pre-Mesher/Shifter support higher efficiency and automation.

Exports: Indian agro-machinery is gaining global recognition for reliability and customisation. The Company anticipates increased traction across Africa, Southeast Asia and the Middle East, which should diversify revenue and temper domestic cyclicity.

Capacity and New Products: The upcoming manufacturing facility will expand capacity, compress delivery timelines, and support simultaneous product lines. Ongoing R&D will introduce advanced, energy-efficient, automation-enabled solutions tailored to evolving customer needs.

Margin Strength and Professionalisation: Alongside growth, the Company is pursuing margin accretion through sharper commercial terms, optimised procurement and process excellence. Continued professionalisation across leadership and technical roles embeds world-class practices while preserving entrepreneurial agility.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

S.no.	Particulars	Area	Analysis
1.	Growing Demand	Global Population Growth	Trend Analysis: According to the UN, the global population is projected to reach 9.7 billion by 2050. This growth will increase demand for staple foods, including rice. Market Expansion: Companies can expand into emerging markets with high population growth rates, such as Southeast Asia and Sub-Saharan Africa, to capitalize on rising demand.
		Upgrading & replacing old setup	With the new generation entering the rice milling business, there is a clear shift from traditional setups to modern, automated rice mills. Leveraging its expertise, Sona Machinery Limited is well positioned to capture this demand and has already established its Electrical Panel and Automation division to serve the industry's future needs.
		Government Push for Ethanol:	Policy Impact: The Indian government's target to blend 20% ethanol with gasoline by 2025 creates substantial growth opportunities for ethanol distilleries.. Partnerships: Collaborating with government agencies and participating in public-private partnerships can provide additional funding and resources.

S.no.	Particulars	Area	Analysis
2.	Government Support	Food Processing Initiatives	Investment Programs: Various countries have launched programs to modernize food processing infrastructure. For instance, the Indian government's Pradhan Mantri Krishi Sinchai Yojana aims to improve irrigation efficiency. Subsidies and Grants: Utilize government subsidies and grants for upgrading machinery and expanding production capabilities. Ensure to stay updated on eligibility criteria and application processes.
		Renewable Energy Policies:	Incentives for Biofuels: Look for tax credits, production subsidies, and research grants for biofuel technologies. Technology Adoption: Adopt advanced technologies in ethanol production, such as cellulosic ethanol or algae-based biofuels, to benefit from specific incentives.
3.	Technological Advancements	Automation and Efficiency	Smart Systems: Integrate smart sensors and machine learning algorithms to monitor and optimize rice milling processes in real-time. Maintenance: Use predictive maintenance techniques to reduce downtime and extend equipment lifespan.
		Renewable Energy Innovations	Next-Generation Biofuels: Explore advancements in biofuel production, such as the use of waste materials and agricultural residues to produce ethanol. Carbon Capture: Invest in carbon capture and storage (CCS) technologies to meet environmental regulations and improve sustainability.

THREATS

S.no.	Particulars	Area	Analysis
1.	Climate and Raw Material Risks	Unpredictable Weather Patterns Raw Material Volatility	Risk Mitigation: Develop contingency plans for weather-related disruptions, such as diversifying sources of raw materials and investing in resilient supply chains. Hedging Strategies: Implement financial hedging strategies to manage price volatility in raw materials. Contracts with fixed pricing can stabilize costs. Supply Chain Diversification: Source raw materials from multiple suppliers and regions to reduce dependence on any single source.
2.	Competition and Technological Risks	Low-Cost Competitors	Differentiation: Differentiate products through superior quality, advanced features, or after-sales services. Emphasize the long-term cost benefits of higher-quality machinery. Cost Management: Improve operational efficiency to lower production costs and remain competitive against low-cost manufacturers.
		Technological Changes	Continuous Innovation: Invest in continuous research and development to keep pace with technological advancements. Attend industry conferences and collaborate with research institutions. Regulatory Compliance: Monitor changes in regulations and standards. Engage with industry groups to influence policy and stay ahead of compliance requirements.

S.no.	Particulars	Area	Analysis
3.	Economic Factors	Regulatory Challenges	Compliance Strategies: Develop robust compliance strategies to adapt to changing regulations. Maintain a dedicated team for regulatory affairs and legal compliance. Advocacy: Participate in industry associations and advocacy groups to influence policy and ensure that regulatory changes are favorable to your business.
		Economic Downturns	Flexible Pricing: Implement flexible pricing strategies to adjust to changes in consumer spending and maintain competitiveness.
		Exchange Rate Fluctuations:	Cost Efficiency: Focus on improving operational efficiency and reducing costs to weather economic downturns. Currency Hedging: Use currency hedging instruments to manage exchange rate risk and protect profit margins. Local Production: Consider establishing local manufacturing or assembly facilities in key markets to mitigate the impact of currency fluctuations on costs.



OVERALL FINANCIAL PERFORMANCE

Financial Performance FY 2024–25 – Key Highlights & Outlook

The financial year 2024–25 marked a period of steady revenue performance for Sona Machinery Limited (SML), with revenues remaining in line with the previous year. However, profitability was impacted, with EBITDA and PAT margins declining from 10% to 4%.

This margin pressure was primarily due to two factors:

Broader economic imbalances, which influenced customer decision-making and delayed certain projects.

Strategic choices to onboard a larger base of new customers, which required upfront investments but has significantly strengthened SML's market position.

Despite this temporary impact, the company achieved several strategic milestones: expanding its customer portfolio with reputed industry names, strengthening its ethanol division, and laying the groundwork for new business lines including Flour Milling, Electrical Panels, and Colour Sorters under the Make in India vision.

OUTLOOK

Looking ahead, SML is well positioned to recover and improve margins through:

In-house manufacturing of 80–90% of ethanol division products, reducing reliance on procurement and improving cost efficiency.

Expanding reach across India through a robust dealer and distributor network.

Improved payment terms and working capital discipline, supporting healthier cash flows.

Continued focus on innovation, automation, and customer satisfaction to drive growth across rice milling, ethanol, and diversified agro-processing segments.

Focusing on overseas markets to reduce dependency on domestic economic fluctuations and broaden revenue streams.

With these initiatives, SML is confident of restoring profitability levels and accelerating growth in the upcoming year, while staying true to its commitment of creating long-term value for shareholders and stakeholders. Focusing on overseas markets to reduce dependency on domestic economic fluctuations and broaden revenue streams.



RISKS AND CONCERNS

RICE MILLING

S.no.	Particulars	Area	Risk	Analysis
1.	Operational Risks	Equipment Downtime	Unexpected machinery breakdowns or maintenance issues can lead to production downtime and reduced efficiency.	Maintenance Scheduling: Implement a regular maintenance schedule to minimize unexpected breakdowns. Predictive Maintenance: Utilize predictive maintenance technologies to anticipate and address potential issues before they cause downtime.
		Skill Shortages	A shortage of skilled technicians and engineers can affect machinery installation, maintenance, and repair.	Training Programs: Develop and offer training programs for current employees and potential hires. Partnerships with Educational Institutions: Collaborate with technical schools and universities to create a pipeline of skilled workers.
2.	Financial Risks	Capital Investment Challenges	High capital requirements for upgrading or purchasing new machinery can strain financial resources.	Financing Options: Explore various financing options such as leasing, loans, or investment partnerships. Financial Planning: Develop detailed financial plans and models to assess the impact of capital investments on cash flow and profitability.
		Currency Fluctuations	Fluctuations in currency exchange rates can impact the cost of imported components and machinery.	Hedging Strategies: Use financial hedging tools to manage currency risk. Local Sourcing: Whenever possible, source components locally to reduce exposure to currency fluctuations.
3.	Market Dynamics	Competitive Pressure	Increased competition from both local and international manufacturers can affect market share and pricing strategies.	Competitive Analysis: Conduct regular competitive analysis to understand market positioning and adjust strategies accordingly. Brand Differentiation: Focus on differentiating your products through innovation, quality, and customer service.

S.no.	Particulars	Area	Risk	Analysis
		Customer Loyalty	Difficulty in retaining customers due to better offers from competitors.	Customer Relationship Management: Implement a robust CRM system to build and maintain strong customer relationships. Value-Added Services: Offer additional services such as extended warranties, training, and support to enhance customer loyalty.
4.	Environmental Risks	Regulatory Compliance Costs	Costs associated with meeting environmental regulations and sustainability requirements.	Sustainability Initiatives: Invest in sustainable technologies and practices to reduce compliance costs and improve environmental impact. Regulatory Advisory: Engage with environmental consultants to ensure compliance and manage regulatory requirements effectively.
		Waste Management	Inefficient waste management can lead to increased disposal costs and regulatory issues.	Waste Reduction Programs: Implement waste reduction and recycling programs to minimize waste and associated costs. Efficient Processes: Optimize production processes to reduce waste and improve resource efficiency.

ETHANOL DISTILLIERY

S.no.	Particulars	Area	Risk	Analysis
1.	Operational Risks	Process Efficiency	Inefficiencies in production processes can lead to higher costs and lower output.	Process Optimization: Continuously monitor and optimize production processes to enhance efficiency. Lean Manufacturing: Implement lean manufacturing principles to reduce waste and improve process efficiency.
		Safety and Compliance	Safety incidents or non-compliance with health and safety regulations can lead to legal issues and operational disruptions.	Safety Training: Conduct regular safety training and drills for employees. Compliance Audits: Perform regular audits to ensure adherence to health and safety regulations.
	Financial Risks	Revenue Volatility	Fluctuations in ethanol prices and demand can impact revenue stability.	Diversified Revenue Streams: Explore additional revenue streams such as by-products or alternative markets. Financial Hedging: Use financial instruments to hedge against price volatility in the ethanol market.
		Investment Risks	High costs of investment in new technology or expansion projects may not yield the expected returns.	Feasibility Studies: Conduct thorough feasibility studies and financial projections before making significant investments. Incremental Investments: Consider phased investments to mitigate financial risk and evaluate returns incrementally.
2.	Market Dynamics	Demand Fluctuations	Changes in market demand for ethanol due to shifts in fuel policies or consumer preferences.	Market Monitoring: Regularly monitor market trends and adjust production strategies accordingly. Product Flexibility: Develop flexible production capabilities to switch between different products based on market demand.
		Technological Advancements	Rapid advancements in production technologies may render existing systems obsolete	Technology Upgrades: Regularly upgrade technology to stay competitive and efficient. Innovation Focus: Maintain a strong focus on innovation and integrate new technologies that enhance production capabilities.

S.no.	Particulars	Area	Risk	Analysis
3.	Environmental Risks	Regulatory Changes	New or changing environmental regulations may impose additional costs or operational adjustments.	Regulatory Forecasting: Stay informed about potential regulatory changes and prepare to adapt operations accordingly. Environmental Management: Implement robust environmental management systems to ensure compliance and reduce the risk of violations.
		Sustainability Concerns	Increasing pressure from stakeholders for sustainable practices and reduction of carbon footprint.	Sustainable Practices: Adopt sustainable production practices and seek certifications to demonstrate environmental responsibility. Stakeholder Engagement: Engage with stakeholders to understand their sustainability expectations and incorporate them into business practices.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has implemented a comprehensive internal control system designed to ensure the accuracy of financial reporting, compliance with regulatory requirements, and the safeguarding of assets. These systems are regularly reviewed and updated to align with the latest industry standards and best practices. The internal audit team conducts periodic reviews to assess the effectiveness of these controls and recommends improvements where necessary. The company is also leveraging digital technologies to enhance the efficiency and reliability of its internal controls, particularly in areas such as inventory management, procurement, and financial reporting.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

There is a slight decline in net sales due to our strategic choice to prioritize on boarding new customers and expanding our market base and this was about sharing the balanced focus for onboarding new business division.

Key Financial Highlights:

During the financial year under review, your company is showing growth as follows:

Net Sales
9491.62
Lakhs, dip by 0.40%
with 4 Years CAGR of

28.71%

GROSS
PROFIT MARGIN

41%

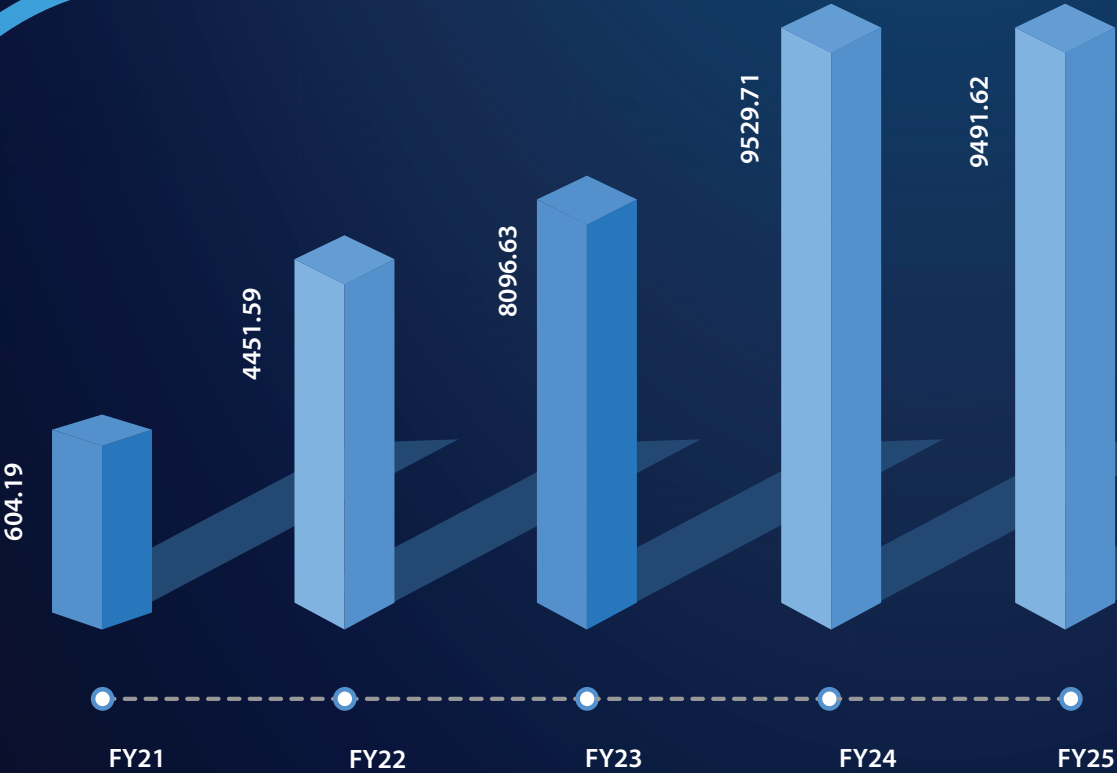
PBT:
528.66 Lakhs
with 4 Years CAGR

5.73%

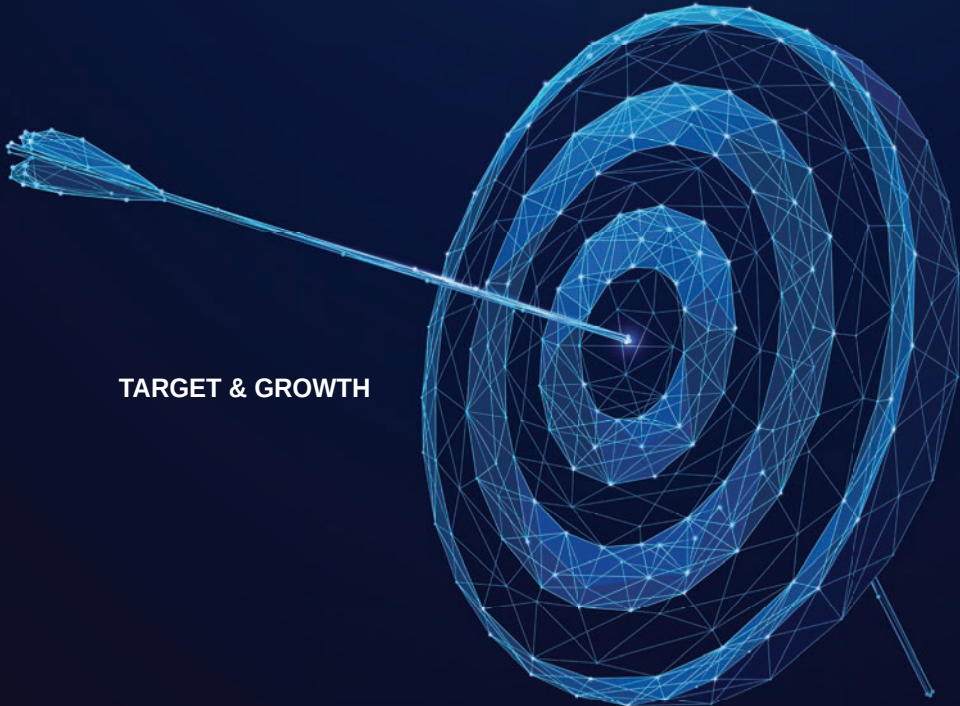
PAT:
385.13 Lakhs,
with 4 Years CAGR

5.35%

KEY
FINANCIAL
HIGHLIGHTS



Net Sales (₹) Lakhs



Significant Changes in Key Financial Ratios

S.no.	Ratio	31-Mar-25	31-Mar-24	Variance	Reason for Variance above 25%
1.	Current Ratio (No. of Times)	2.54	3.82	-33.68%	Due to Increase in current liabilities
2.	Debt Equity Ratio (No. of Times)	0.03	0.01	136.51%	Increase in Debt
3.	Debt Service Coverage Ratio (No of Times)	9.37	19.39	-51.67%	Due to decrease in Profit during the FY 2024-25
4.	Return On Equity Ratio (%)	5.72%	27.28%	-79.04%	Due to Increase in Networth, however no such substatial increase NP after tax in this year
5.	Inventory Turnover Ratio (In Days)	114	59	91.80%	Holding level of inventory not in proportion to increase in sales
6.	Trade Receivable Turnover Ratio (In Days)	45	30	51.69%	Improvement in Credit period of Customer vis-à-vis sales achieved
7.	Trade Payable Turnover Ratio (In Days)	62	61	2.61%	---
8.	Net Capital Turnover Ratio (No Of Times)	2.03	3.19	-36.27%	Reduced rotation of Average working capital as compared to previous years.
9.	Net Profit Ratio (%)	4.06%	10.98%	-63.06%	There is a slight decline in net sales due to our strategic choice to prioritize on boarding new customers and expanding our market base and this was about sharing the balanced focus for onboarding new business division.
10.	Return On Capital Employed (%)	7.63%	21.48%	-64.50%	Due to Increase in Networth and comparetively less increase in profit

Significant Changes in Key Financial Ratios

S.no.	Ratio	31-Mar-25	31-Mar-24	Variance	Reason for Variance above 25%
11.	Return On Assets (%)	4.04%	12.20 %	-66.90%	Due to Increase in Total Assets and comparetively less increase in profit

Total Sales

Total sales from 9,529.71 Lakhs in FY24 to 9,491.62 Lakhs in FY25, representing a minor dip of 0.40%.
Strategic decision taken to increase volume in Ethanol segment.
This detailed analysis provides valuable insights into regional sales performance, helping businesses optimize their strategies and capitalize on emerging opportunities.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

The company acknowledges the pivotal role its employees play in driving success and is dedicated to cultivating a supportive and inclusive work environment. In the fiscal year 2024-25, the company has undertaken several key initiatives to enhance its human resources and industrial relations:

Talent Acquisition: The company has embarked on a strategic recruitment drive to attract fresh talent, bolstering its workforce to support expanding operations. This influx of new skills and perspectives is poised to energize the organization and drive innovation.

Employee Training and Development:

Recognizing the importance of continuous learning, the company has invested in comprehensive training programs aimed at upgrading employees' skill sets and expertise. These initiatives encompass:

- a) Technical skills training to enhance operational efficiency.
- b) Soft skills development to foster effective communication and collaboration.
- c) Leadership development programs to nurture future leaders.
- d) Digital literacy training to ensure employees are adept in leveraging technology.

Culture of Continuous Learning:

The company is committed to creating a culture that encourages continuous learning, innovation, and growth. This includes:

- a) Mentorship programs pairing experienced professionals with new hires.
- b) Cross-functional training to promote understanding and collaboration across departments.
- c) Regular feedback and coaching to support employee development.

Employee Engagement and Well-being:

The company prioritizes employee satisfaction and well-being, offering initiatives such as:

- a) Employee recognition and reward programs
- b) Wellness programs and mental health support
- c) Flexible work arrangements and work-life balance initiative

Industrial Relations:

The company maintains a positive and collaborative relationship with its employees, ensuring open communication channels and constructive dialogue. This includes:

- a) Regular town hall meetings and feedback sessions

- b) Employee suggestion schemes to encourage innovation and improvement

Fair and transparent HR practices

By focusing on these key areas, the company aims to create a vibrant, inclusive, and supportive work environment that attracts, retains, and develops top talent, driving business success and growth.

10. Return on Net Worth (RoNW)

The Return on Net Worth (RoNW) decreased by compared to the previous financial year, driven by decreased profitability and increase in Net Worth. The company's focus on high-return investments and strategic use of retained earnings as it is being low in current year due to sharing the focus on rising ethanol segment and stabilizing ethanol business. The company plans to continue optimizing its capital structure to maximize shareholder value.

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting ("AGM/ 6th AGM") of the Members M/s SONA MACHINERY LIMITED ("the Company") will be held on Monday the 29th day of September, 2025 at 02:00 P.M. Indian Standard Time ("IST"), through Video Conferencing / Other Audio Visual Means ("VC/OAVM") facility to transact the following business:

ORDINARY BUSINESS

1.To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2025 including the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement for the year ended as at 31st March 2025 and the Reports of the Board of Directors and Auditors thereon.

2.Appointment of Director in the place of retiring Director

To appoint a director in place of Mrs. Shweta Baisla, who retires by rotation and being eligible offers herself for re-appointment.

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Mrs. Shweta Baisla, (DIN: 09652443) who is liable to retire by rotation and being eligible has offered herself for appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3.Regularization of Additional Director, Mr. Narender Kumar (DIN: 02567312) as Non-Executive and Non-Independent Director of the Company.

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

"RESOLVED THAT Mr. Narender Kumar (DIN: 02567312), who was appointed as an Additional Director who holds office upto the date of this Annual General Meeting in terms of Section of the Company by the Board of Directors with effect from 28th July,2025 as per 161(1) of the Companies Act, 2013 (the "Act") and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive and Non-Independent Director of the Company.

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

4.Appointment of M/S M R S & Associates, Company Secretaries as Secretarial Auditor of the company for term of five (5) consecutive years and fixation of remuneration thereof

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

"RESOLVED THAT pursuant to Regulation 24A of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended from time to time and as per applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and as per the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. M R S & Associates, Company Secretaries (Firm Unique Code S2019DE678300), be and is hereby appointed as Secretarial Auditors of the Company, to hold office for a term of five (5) consecutive years, commencing from the Financial Year 2025-26 till Financial Year 2029-30, at such remuneration, as approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to the Committee of the Board or to any Director(s) or Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

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

RESOLVED FURTHER THAT any of the Directors and/or the Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board
For Sona Machinery Limited

Date: 05/09/2025

Place: Noida

IMPORTANT NOTES:

1.The 6th Annual General Meeting of the Company will be held on Monday, 29th day of September, 2025, at 02:00 P.M. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) in compliance with the applicable provisions.

2.Ministry of Corporate Affairs (“MCA”) vide its with MCA General Circular No. 9/2024 dated 19th September, 2024, General Circular no.09/2023 dated September 25, 2023, General Circular Nos.14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No.20/2020 dated 5th May, 2020, Circular No.02/2021 dated 13th January, 2021, Circular No.19/2021 dated 8th December, 2021, Circular No.21/2021 dated 14th December, 2021, Circular No.02/2022 dated 5th May, 2022 ,Circular No. 10/2022 dated 28th December, 2022 and circular No. 09/2023 dated 25th September, 2023 (“MCA Circulars”) has permitted to conduct the Annual General Meeting through video conferencing (“VC”) or other audiovisual means (“OAVM”) upto 30th September, 2025. In compliance with the aforesaid MCA Circulars, the 6th Annual General Meeting (“6th AGM” or “Meeting”) of the Members of the Company will be held through VC/OAVM, without the physical presence of the Members. In accordance with the aforesaid MCA Circulars and SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024, Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/ CMD2/ CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/ CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7th October, 2023 issued by Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”), the Notice of the AGM along with the Annual Report for F.Y. 2024-25 s being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”.

3.Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint Authorized Representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on its email Id Cs@sonamachinery.com, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.

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

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

6.An explanatory statement setting out details relating to the businesses to be transacted at the Annual General Meeting pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.

7.In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

8.As the Annual General Meeting of the Company is held through VC / OAVM, we therefore request the members to submit questions in advance relating to the business specified in this notice of AGM on the email ID Cs@sonamachinery.com at least 10 days in advance but not later than Friday, 19th September, 2025.

9.The Annual Report along with the Notice of AGM will be placed on the Company's website on www.sonamachinery.com.

10.Members of the Company holding shares either in physical form or in de-materialized forms as on BENPOS date i.e., Thursday, 4th September, 2025 will receive Annual Report for the financial year 2024-25 through electronic mode. As per the MCA Circular 20/2020 dated 5th May, 2020, the Annual Report will be sent through electronic mode to only those Members whose email id's are registered with the Registrar and Share Transfer Agent of the Company / Depository participant.

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

12.In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sonamachinery.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

13.AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 9/2024 dated 19th September, 2024, General Circular no.09/2023 dated September 25, 2023, MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Thursday, 25 September, 2025 at 09:00 A.M. and ends on Sunday, 28 September, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22/09/2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22/09/2025.

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 and joining virtual meeting 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.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 or joining virtual meeting & voting during the meeting. 2. 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 or joining virtual meeting & voting during the meeting. 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     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 Myeasi 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & 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 or joining virtual meeting & voting during the meeting.
Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.	
Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 and joining virtual meeting 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?	
a) 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. b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. c) 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.	

d) 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***.

e) 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.

- f) 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.
- g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- h) Now, you will have to click on “Login” button.
- i) After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- a) 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 and General Meeting is in active status.
- b) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under“Join Meeting”.
- c) Now you are ready for e-Voting as the Voting page opens.
- d) 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.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- a)

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 mohit@mrsassociates.co.in 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.
- b) 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.

- c) 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, Manager, 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 cs@sonamachinery.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 cs@sonamachinery.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 and joining virtual meeting 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- A. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore

recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@sonamachinery.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from 27/09/2025 to 28/09/2025 (up till 05:00 p.m. IST) from their registered e-mail Id's mentioning their name, DP ID and client Id / folio number, PAN, mobile number on cs@sonamachinery.com as registered in the records of the Company. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

EXPLANATORY STATEMENT

[Pursuant to Sections 102 of the Companies Act, 2013]

EXPLANATORY STATEMENT IN RESPECT OF BUSINESS SET OUT IN ITEM NO. 3AND 4 OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF SONA MACHINERY LIMITED TO BE HELD ON MONDAY, 29TH DAY OF SEPTEMBER, 2025 AT 2:00 P.M. (IST) THROUGH VIDEO CONFRENCING

The Following Explanatory Statement sets out all material facts relating to the Business mentioned under item sr. no. 3 and 4 of the accompanying Notice:

ITEM NO. 3: Regularization of Additional Director, Mr. Narender Kumar (DIN: 02567312) as Non-Executive and Non-Independent Director of the Company.

Mr. Narender Kumar (DIN: 02567312) was appointed as an Additional Director of the Company at the Board Meeting held on 28th July,2025. In terms of Section 161(1) of the Companies Act, 2013. Pursuant to the provision of Section 161 of the Companies Act,2013, Mr. Narender Kumar holds office up to the date of the next Annual General Meeting of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, is of the view that the appointment of Mr. Narender Kumar on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No.1 for approval by the members of the Company.

Except Mr. Vasu Naren, Chairman and Managing Director and Mrs. Shweta Baisla Whole time Director, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above referred resolution.

The board recommends the said resolution No. 3 to be passed as an ordinary resolution.

ITEM NO. 4: Appointment of M/S. M R S & Associates, Company Secretaries as Secretarial Auditor of the company for term of five (5) consecutive years and fixation of remuneration thereof

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated 12th December, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors in their meetings held on 5th September, 2025 have approved and recommended the appointment of M/s M R S & Associates, Peer Reviewed Firm of Company Secretaries in Practice (Firm Unique Code S2019DE678300) as Secretarial Auditors of the Company for a term of up to 5(Five) consecutive years to hold office from the conclusion of this 6th Annual General Meeting ('AGM') till the conclusion of 11th Annual General Meeting of the Company to be held in the Year 2030 for conducting the secretarial audit for the Financial Year 2025-26 and subsequent year(s) of their term, at such fee as may be determined by the Board, on recommendation of Audit Committee. The fees for services in the nature of certifications and other professional services rendered in line with Regulation 24A(1B) of SEBI LODR Regulations will be in addition to the secretarial audit fee as above and will be decided by the Board in line with the recommendations of the Audit Committee in consultation with the secretarial auditor.

M/s M R S & Associates fulfil the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and pursuant to Regulation 24A(1A) of SEBI LODR Regulations.

The Firm holds a valid Peer Review Certificate. M/s M R S & Associates have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI LODR Regulations.

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

The Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as an Ordinary Resolution.

Additional Information

Item No.3 Details of Director Seeking Appointment

BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT / VARIATION IN TERMS OF REMUNERATION AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2 on General Meetings]

Name of the Director	Narender Kumar
1. DIN	02567312
2. Date of Birth/Age	23/10/1969
3. Date of First Appointment on the Boa	12/02/2019
4. Qualifications:	Senior Secondary
5. Expertise in Specific Functional Areas	Sales and Marketing
6. Skills and Capabilities required for the role and the manner in which the Directors meet the requirements	Sales and Marketing
7. Terms and Conditions of Appointment	Non-Executive Director (Non-Independent), liable to retire by rotation.
8. Details of remuneration last drawn	--
9. Details of remuneration sought to be paid	He shall be paid remuneration by way of sitting fees for attending Board or Committee Meetings of the Company or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and/or Committee meetings of the Company stipulated under Section 197 of the Companies Act, 2013, effective his date of appointment.
10. Directorships in other listed Companies	NA
11. Membership/Chairpersonship of Committees in Other Listed Companies	NA
12. Listed Entities from which the Director has resigned from Directorship in the last 3 (three) Years	NA
13. No. of Board meetings attended during last Financial Year	NA
14. Disclosure of Relationships Between Directors Inter-Se, Manager & KMP	Father of Mr. Vasu Naren Father-in-law of Mrs. Shweta Baisla
15. No. of Shares held in the Company	707000

**By Order of the Board
For Sona Machinery Limited**

Vasu Naren
Chairman & MD
DIN 06915821

Dated : 05/09/2025
Place : Noida

DIRECTOR'S REPORT

Dear Shareholders,

The Directors of your Company take pleasure in presenting their 06th Annual Report on the operations of the Company and the Audited Financial Accounts of the Company for the year ended 31st March, 2025.

FINANCIAL SUMMARY OR PERFORMANCE OF THE COMPANY:

(RUPEES IN LAKHS)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Revenue from Operations	9,491.62	9,529.71
Other Income	104.92	38.56
Total Income	9,596.54	9568.27
Cost of Material consumed	5,391.36	5478.12
Purchases of Stock-in-Trade	839.20	359.56
Change in Inventory of Finished Goods, WIP & Stock in trade	(637.48)	(463.42)
Employee Benefit Expenses	1,456.99	1329.36
Finance Cost	14.38	14.10
Depreciation & Amortization Expenses	182.03	120.47
Other Expenses	1,821.39	1327.20
Total Expenses	9,067.87	8,165.39
Current tax	181.11	373.42
(Short)/Excess provision for earlier years	1.15	(1.63)
Deferred Tax	(38.72)	(11.04)
Profit/(Loss) after Tax	385.13	1,046.75
Earnings per share (₹)		
Basic	2.81	10.15
Diluted	2.81	10.15

REVIEW OF OPERATIONS

The Company has reported total income of Rs. 9596.54 /- (figure in Lakhs) for the current financial year as compared to Rs. 9568.27/- (figure in Lakhs) in the previous financial year. The Net Profit / (Loss) for the year under review amounted to Rs. 385.13/- (figure in Lakhs) in the current year as compared to profit of Rs. 1046.75/- (figure in Lakhs) in the previous year.

WEBSITE

www.sonamachinery.com is the website of the Company. All the requisite details, policy are placed on the website of the company.

TRANSFER TO RESERVES

During the financial year, the company has proposed to be transfer Rs 385.13 /- (figure in Lakhs) to the Reserves.

DIVIDEND:

Due to Conservation of Resources, the Company have not recommended any dividend for year ended March 31, 2025.

CHANGE IF ANY IN THE NATURE OF BUSINESS

There had been no change in the nature of business of your Company during the period under review.

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

During the financial year under review, there were no other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of the report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on 31st March, 2025 shall be placed on our website <https://www.sonamachinery.com/> in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014.

SUBSIDIARY/ASSOCIATE/JOINT - VENTURE COMPANY

The Company does not have any joint – venture, Subsidiary and Associate Company. There is no requirement of web link of policy for determining ‘material’ subsidiaries is disclosed as Company has no subsidiaries during 2024-25.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2024-25, the Company entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder.

The details of the related party transactions are set out in the Notes forming part of Financial Statement of the Company.

The Form AOC -2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure -1** to this report.

DETAILS OF DEPOSIT AS PROVIDED UNDER CHAPTER V OF THE COMPANIES ACT, 2013

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LOANS, GUARANTEES OR INVESTMENTS

The particulars of loan given, investment made, guarantee given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized as per the provisions of Section 186 of the Act are provided in the financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

CHANGES IN REGISTERED OFFICE OF THE COMPANY

During the year under review, the Registered Office of the Company has been shifted within the local limit of city from 701 7th floor KLJ tower Plot No. B-5, Netaji Subhash Place, Maurya Enclave, North West Delhi, Delhi, India, 110034 to 228 3rd Floor State Bank Nagar, Paschim Vihar-1, West Delhi, Delhi, India 110063 with effect from 03/01/2025.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

During the financial year under review, there were no changes in the directorship of the company. However, after closure of the financial year Mr. Narender Kumar was appointed as additional director of the company.

All the Independent Directors of your Company have submitted their declaration confirming that they meet the criteria of 'Independence' as prescribed under the Act and the Listing Regulations and are not disqualified from continuing as Independent Directors. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. The Independent Directors of the Company have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Nomination and Remuneration Committee had adopted principles for identification of Key Managerial Personnel, Senior Management including the executive directors. The policy of the Company on appointment and remuneration includes criteria for determining qualifications, positive attributes and independence of a director. The same is also available on the website of the Company at <https://www.sonamachinery.com>.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has formulated a Programme for Familiarization of Independent Directors with regard to their roles, rights, responsibilities, nature of the industry in which the Company operates, the business model of the Company etc. The details of the Familiarization Programmes conducted by the Company during the last financial year are available on the website of the Company at <https://www.sonamachinery.com>.

During the year under review, there was no change in the nature of business of the company and its business vertical/ structure/operational strategy, etc., which would have necessitated fresh Familiarization Programme for Independent Directors.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditor and Report

Pursuant to provisions of Section 139 of the Companies Act 2013 and rules framed there under, The Company at its 5th Annual General Meeting (AGM) held in 2024 had appointed M/s. Sanjay V Gupta & Associates, Chartered Accountants (ICAI Firm Registration no. 018701N) as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of 5th Annual General Meeting till the conclusion of the 10th Annual General Meeting to be held in the year 2029.

Auditors Report

During the year under review, no frauds have been occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time). The Auditors' Report for the Financial Year ended 31st March, 2025 on the financial statements of the Company is a part of this Annual Report. The Statutory Auditors Report, being devoid of any reservation(s), qualification(s), or adverse remark(s), does not call for any further information(s), explanation(s), or comments from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

Secretarial Auditors and their Report

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s M R S & Associates, Company Secretaries (Firm Unique Code S2019DE678300), holding a valid certificate issued by the Peer Review Board (Certificate No. 2517/2022) of the Institute of Companies Secretaries of India (ICSI), was appointed as the secretarial auditor of the Company for the financial year 2024-25. The Secretarial Audit Report in Form MR-3 for the financial year 2024-25 is annexed to this Directors' Report as 'Annexure 2'. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Internal Audit

During the financial year under review, an audit plan is rolled out with approval of the Board to conduct a yearly internal Audit of the Company. The company appointed M/s ASC Consulting Pvt Ltd the internal auditor for the financial year ended 31st March 2025. The plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the reports of internal audit, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions are periodically presented to the Audit Committee of the Board.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

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

Information required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2025, in relation to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is as under:

A) CONSERVATION OF ENERGY

- i. Energy conservation measures taken - N.A.
- ii. Additional Investments and proposals, if any, being implemented for reduction of consumption of energy - N.A.
- iii. Impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact in the cost of production of goods – N.A.
- iv. Steps taken by the Company for utilizing alternate sources of energy - N.A.
- v. Capital investment on energy conservation Equipment – N.A.

B) TECHNOLOGY ABSORPTION

- i. Efforts made in technology absorption – N.A.
- ii. Specific areas in which R & D carried out by the Company and Benefits derived as a result of R & D - N.A.
- iii. Technology imported during last three years – None
- iv. The future plan of action – None
- v. Expenditure in R & D – Nil
- vi. Technology Absorption, adaptation and innovation efforts & benefits to the Company – N.A.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

- i. Efforts and initiative in relation to the exports – N.A.
- ii. Total foreign exchange used and earned – N.A.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('PoSH Act') and Rules framed thereunder. All employees (including trainees, apprentices and probationers) of the Company at all its locations are covered in this policy.

Internal Complaints Committee ('ICC') is in place to redress complaints of sexual harassment and the Company has complied with the provisions relating to the constitution of ICC under the PoSH Act.

During the financial year under review, no complaints were filed pertaining to sexual harassment of woman employee in terms of the PoSH Act, the following is the summary of the complaints received and disposed – off during the financial year 2024-25:

No. of complaints received: NIL
No. of complaints disposed of: NIL
No. of complaints pending: NIL

Your Company holds a strong commitment to provide a safe, secure and productive work environment to all its employees. The Company strives to ensure that every employee is informed and compliant with all statutory policies and practices. PoSH awareness and sensitization are an integral part of this process.

DISCLOSURE REGARDING COMPLIANCE W.R.T THE MATERNITY BENEFITS ACT 1961

The Company hereby states that it was Compliant with Maternity Benefits Act, 1961 during the Financial Year 2024-25.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3)(c) of the Companies Act, 2013 the Director's confirm that:

- 1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2. Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year 2024-25.
- 3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4. The annual accounts have been prepared on a going concern basis.
- 5. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- 6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY:

Your Company's CSR initiatives align with the core purpose aforesated by prioritizing in areas of skilling, education, environment sustainability and health. During the year under review, the unveiling of 'SONA'.

The detailed information on CSR initiatives undertaken by your Company during the financial year ended 31 March 2025 is provided in the report on Management Discussion and Analysis, which forms part of this Annual Report. The Annual Report on CSR activities pursuant to the provisions of section 134 and 135 of the Act read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Directors' Report as 'Annexure 3'.

NUMBER OF MEETING OF THE BOARD:

There were 7 meetings of Board of Directors, 5 Audit committee, 1 NRC and 1 SRC meetings held during the financial year 2024-25. The status of the attendance of the Board of Directors are as follows:

S.no.	Name of Directors	No. of Board Meetings Held	No. of Board Meeting Attended
1	Vasu Naren	7	7
2	Shweta Baisla	7	7
3	Naman Jain	7	7
4	Preet Kumar	7	7
5	Akash Kumar Bansal	7	7

The status of the attendance of the Audit Committee are as follows:

S.no.	Name of Directors	No. of Audit Committee Meeting Held	No. of Audit Committee Meeting Attended
1	Shweta Baisla	5	5
2	Naman Jain	5	5
3	Preet Kumar	5	5

The status of the attendance of the Nomination and remuneration committee are as follows:

S.no.	Name of Directors	No. of NRC Meeting Held	No. of NRC Meeting Attended
1	Naman Jain	1	1
2	Preet Kumar	1	1
3	Akash Kumar Bansal	1	1

The status of the attendance of the Stakeholder relationship committee are as follows:

S.no.	Name of Directors	No. of NRC Meeting Held	No. of NRC Meeting Attended
1	Vasu Naren	1	1
2	Naman Jain	1	1
3	Preet Kumar	1	1

DECLARATION BY INDEPENDENT DIRECTORS:

In terms of the provisions of section 149 of the Act and the Listing Regulations, 2015, the independent directors on the Board of your Company as on the date of this report are Naman Jain, Preet Kumar and Akash Kumar Bansal.

The Company has received declaration pursuant to section 149(7) of the Act and regulation 25 of the Listing Regulations, 2015 from all the independent directors stating that they meet the criteria of independence as provided in section 149(6) of the Act read with regulations 16 and 25 of the Listing Regulations, 2015.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

The Board of Directors of your Company have taken on record the said declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same in terms of regulation 25 of the Listing Regulations, 2015. In the opinion of the Board, the independent directors fulfil the conditions specified in the Act as well as the Rules made thereunder read with the Listing Regulations, 2015 and have complied with the code for independent directors prescribed in Schedule IV to the Act.

CORPORATE GOVERNANCE

The Company is listed on SME Emerge Platform of NSE, by virtue of Regulation 15 of Listing Regulation the compliance with the corporate governance provisions as specified in Regulation 17, 17A, 18, 19, 20, 21, 22, 24, 24A, 25, 26, 27 clauses (b) to (i) and (t) of sub regulation 2 of Regulation 46 and Para C, D and E of Schedule V of the listing regulation are not applicable to the Company. Hence, Corporate Governance Regulations are not applicable to the company except for Regulation 23 as the paid-up share capital of the company exceeds INR 10 Crores pursuant to the first proviso to Regulation 15(2)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

DETAILS OF NON-COMPLIANCE

The Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by them on the Company.

MANAGING DIRECTOR AND CFO CERTIFICATION:

The Managing Director and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations certifying, inter alia, that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the company's affairs. The said certificate is annexed to this report as "Annexure-4".

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178;

In compliance with the requirements of Section 178 of the Act, SEBI Listing Regulations, 2015 and any other re-enactment(s) for the time being in force, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website.

Nomination and Remuneration Policy is available at the website of the Company <https://www.sonamachinery.com>. The Board has adopted Nomination and Remuneration policy for selection and appointment of Directors and Key Managerial Personnel and to decide their remuneration. The Nomination and Remuneration policy of the company acts as a guideline for determining, inter alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of the performance of the Directors and Key Managerial Personnel.

The salient features of the NRC Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.

- 3) Policy for appointment and removal of Director, KMP and Senior Management.
- 4) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.
- 5) Remuneration to Non-Executive / Independent Director.

PARTICULARS OF EMPLOYEE UNDER SECTION 197(12):

Details as required under the provisions of section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, inter alia, ratio of remuneration of directors and KMP to median remuneration of employees and percentage increase in the median remuneration are annexed to this Directors' Report as 'Annexure 5'.

Further, a statement containing details of top ten employees in terms of the remuneration drawn and other specified employees as required under the provisions of section 197(12) of the Act read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this Directors' Report. In terms of the provisions of section 136 of the Act, the report is being sent to the members excluding the aforesaid statement. This statement will be made available by email to members of the Company seeking such information. The members can send an email to It shall also be kept open for inspection by any member at the registered office of the Company during business hours.

SHARE CAPITAL:

A) AUTHORISED SHARE CAPITAL

During the Financial Year 2024-25, the authorized share capital of the Company Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided in to 1,50,00,000 (One Crore Fifty Lakhs) Equity shares of Rs. 10 each.

B) ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

During the Financial Year 2024-25, the paid-up Share Capital of the Company is Rs. 13,72,40,000/- (Rupees Thirteen Crore Seventy-two Lakh Forty Thousand only) divided into 1,37,24,000 (One Crore Thirty-Seven Lakh Twenty-Four thousand) Equity shares of Rs. 10 Each.

C) During the Financial Year 2024-25 Company has not issued Bonus Shares.

D) During the Financial Year 2024-25 Company has not issued equity shares with differential rights/ Buy Back of Securities/ Issue of Sweat Equity Shares / Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.

E) Issue of employee stock options: The Company has not issued any shares as employee stock options scheme during the year under consideration.

LISTING WITH STOCK EXCHANGES

The equity shares of the Company are listed on SME-Emerge Platform of National Stock Exchange of India Limited (NSE) w.e.f. March 13, 2024 and the Company confirms that it has paid the Annual Listing Fees for the year 2024-25 to NSE Limited.

DEMATERIALISATION OF EQUITY SHARES

All the Equity shares of the Company are in dematerialized form with either of the depositories viz NSDL and CDSL. The ISIN No. allotted to the Company is INE0Q6H01012.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system is commensurate with the activities and functions carried out by the Company.

INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING:

The Company has an adequate internal financial control system commensurate with the nature of its business and the size and complexity of its operations and are operating effectively with no material weakness.

During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of the said internal financial control system.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

During the year, your Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), amount referred under Section 125 (2) shall be credited to Investor Education and Protection Fund. However, there were no such amounts which are covered under the said section 125 read with the applicable rules that needed to be transferred to IEPF.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR:

During the period under review, no application has been made or any proceeding pending under Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

No one time settlement was done by the company during the period under review. Hence, valuation is not required.

MAINTENANCE OF COST RECORDS

The provisions of section 148 (1) of the Companies Act, 2013 with regard to maintenance of the cost record are applicable to the company and the company has made and maintained the cost record as specified therein.

NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR

No cases of child labour, forced labour, involuntary labour and discriminatory employment were reported in the last financial year.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach to the person mention in the policy and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The Whistle Blower Policy is displayed on the website of the Company at <https://www.sonamachinery.com/investors>.

AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDER RELATIONSHIP COMMITTEE

Audit Committee, Nomination and Remuneration Committee, Stakeholder relationship committee and Internal Complaint Committee is required to be constituted.

The detail of Audit Committee, Nomination and Remuneration Committee, Stakeholder relationship committee and Internal Complaint Committee are on the website of the Company <https://www.sonamachinery.com/investors>.

PREVENTION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

("Insider Trading Regulations"), as amended, your Company has adopted a 'Code of Practices & Procedures for fair disclosure of Unpublished Price Sensitive Information'(UPSI) to regulate, monitor and report trading by designated persons in listed securities of your Company ("the Code").

The Code aims at preserving and preventing misuse of UPSI. All Designated Persons of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. PAN based online tracking mechanism for monitoring of the trade in your Company's securities by the "Designated Persons" and their relatives is in place to ensure real time detection and taking appropriate action, in case of any non-compliance with the provisions of the Code.

The Board, designated persons and other connected persons have affirmed compliance with the Code.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The management discussion and analysis report for the financial year 2024-25, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented as a separate statement in the annual report. This report offers a consolidated perspective on economic, social, and environmental aspects material to our strategy and our ability to create and sustain value for our stakeholders. It includes reporting requirements as stipulated by Regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company 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. The Audit Committee evaluates the internal financial control system periodically.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has adopted a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk-reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

APPRECIATION

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, adaptability, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

ACKNOWLEDGEMENT

Your directors wish to place on record their appreciation for the co-operation and support extended by the Share Holders, various authorities, banks, dealers and vendors. The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

For and on Behalf of the Board
For Sona Machinery Limited

Date: 05/09/2025
Place: Noida

Vasu Naren
Chairman & MD
DIN: 06915821

Annexure 1
FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis
There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2025, which were not arm's length basis
2. Details of material contracts or arrangement or transactions at arm's length basis

Figures in Lakh(s)

Sr. No	Name of 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(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Can Engineering Private Limited	Purchase & Sale of Goods	1 year	Machineries, Spare parts sold to CAN Engineering and purchase of goods	28-05-2024	Nil
2	Elephant Electric Private Limited	Purchase of Goods	1 year	Purchase of Goods	28-05-2024	Nil
3	Prodry Engineering Solutions Private Limited	Purchase & Sale of Goods	1 year	Purchase and Sales of Goods	28-05-2024	71.5
4	Narendra Kumar Prop. Sona foods	Rent	Ongoing Transaction	The factory of the company has been taken on a monthly rent of Rs. 3,00,000/-	28-05-2024	Nil

Vasu Naren
Chairman & MD
DIN: 06915821

Shweta Baisla
CFO & WTD
DIN: 09652443

Annexure 2
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2025

[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]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2025

To,
The Members,
SONA MACHINERY LIMITED
228 3rd Floor State Bank Nagar, Paschim Vihar-1,
Paschim Vihar, West Delhi, New Delhi- 110063,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SONA MACHINERY LIMITED (CIN: L29256DL2019PLC345856) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period ended on 31st March, 2025 ("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 hereunder:

I 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, 2025 according to the provisions of:

- 1.The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2.The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3.The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4.Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5.The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
 - a.The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b.The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c.The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d.The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2014; (not applicable to the company during the review period)
 - e.The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (not appli-cable to the company during the review period)
 - f.The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - g.The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h.The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)

i.The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)

j.The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

6.Following are the other acts applicable on the Company:

- a.Maternity Benefit Act, 1961 and rules framed thereunder;
- b.Employee' Provident Fund Act and Miscellaneous Provisions Act, 1952 and rules framed thereunder;
- c.The Payment of Gratuity Act, 1972 and rules framed thereunder;
- d. Payment of Bonus Act, 1965 and rules framed thereunder;
- e. Equal Remuneration Act, 1976 and rules framed thereunder;
- f. Payment of Wages Act, 1936 and rules framed thereunder;
- g. Minimum Wages Act, 1938 and rules framed thereunder;
- h.Consumer Protection Act, 2019
- i.Environment Protection Act, 1986;
- j.Factories Act, 1948 and rules framed thereunder
- k.The Air (Prevention & Control of Pollution) Act, 1981;
- l.The Water (Prevention & Control of Pollution) Act, 1974

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses.

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

i)Secretarial Standards issued by The Institute of Company Secretaries of India.

ii)The Listing Agreement entered into by the Company with the National Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2025. There were no changes in the composition of the Board of Directors during the period under review.

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

All the decisions of the Board and Committees thereof were carried through with requisite majority. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I Further report that, based on the information provided and the representation made by the Company, except to the extent stated above, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review, the company has not undertaken any specific events/actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except the follow:

1.Change in Registered Office

During the year under review, the Registered Office of the Company has been shifted within the local limit of city from 701 7th floor KLJ tower Plot No. B-5, Netaji Subhash Place, Maurya Enclave, North West Delhi, Delhi, India, 110034 to 228 3rd Floor State Bank Nagar, Paschim Vihar-1, West Delhi, Delhi, India 110063 with effect from 3rd January 2025.

I further report that my Audit was subjected only to verify the adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the company and I am not responsible for any lapses in those compliances on the part of the company.

Date: 28/08/2025
Place: New Delhi

CS Mohit
Proprietor
FCS No.: 12708
C.P No.: 21941
UDIN: F012708G001101281

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

1.Change in Registered Office

During the year under review, the Registered Office of the Company has been shifted within the local limit of city from 701 7th floor KLJ tower Plot No. B-5, Netaji Subhash Place, Maurya Enclave, North West Delhi, Delhi, India, 110034 to 228 3rd Floor State Bank Nagar, Paschim Vihar-1, West Delhi, Delhi, India 110063 with effect from 3rd January 2025.

I further report that my Audit was subjected only to verify the adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the company and I am not responsible for any lapses in those compliances on the part of the company.

Date: 28/08/2025
Place: New Delhi

CS Mohit
Proprietor
FCS No.: 12708
C.P No.: 21941
UDIN: F012708G001101281

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

Annexure A

To,
The Members,
SONA MACHINERY LIMITED
228 3rd Floor State Bank Nagar, Paschim Vihar-1,
Paschim Vihar, West Delhi, New Delhi- 110063,

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

- 1.Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit. The list of documents for the purpose, as seen by me, is listed in Annexure B;
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. My Audit examination is restricted only up to legal compliances of the applicable laws to be done by the company. I have not checked the practical aspects relating to the same.

4. Whenever audit has required my examination of books and records maintained by the Company, I have also relied upon electronic versions of such books and records, as provided to me through online communication. Considering the effectiveness of information technology tools in the audit processes, I have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, I have followed the guidance as issued by the institute.

5. I have not verified the correctness and appropriateness of financial records and books of accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the company under the specified laws, though I have relied to a certain extent on the information furnished in such return.

6. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

9. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.

10. The Secretarial Audit Report 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.

Date: 28/08/2025
Place: New Delhi

CS Mohit
Proprietor
FCS No.: 12708
C.P No.: 21941
UDIN: F012708G001101281

For M R S & Associates
Practicing Company Secretaries
Firm Unique Code S2019DE678300
Peer Review Certificate no. 2517/2022

ANNEXURE B
LIST OF DOCUMENTS

1. Memorandum & Articles of Association of the Company
2. Minutes of the meetings of the Board of Directors held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers for Board and Committee Meeting along with notice on a sample basis;
6. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
7. Annual Report for financial year 2023-24 and standalone financial statements for financial year 2024-25.
8. Directors' disclosures under the Act and rules made thereunder;
9. Forms filed with ROC, intimations made to stock exchanges;
10. Policies/Codes framed under SEBI regulations;
11. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Annexure-3
The Annual Report on Corporate Social Responsibility for the FY 2023-24
[Pursuant to clause (o) of sub-section (3) of section 134 of the act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline on CSR policy of the Company

A brief outline of the Company’s CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The company, in accordance with the requirements of the Companies Act, 2013 had conceptualized and implemented the Corporate Social Responsibility (CSR) activities during the year in the field of promoting education and animal welfare.

2. The Composition of the CSR Committee

S.no.	Name of Directors	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	N/A	N/A	N/A	N/A

Note: Pursuant to section 135(9), where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

Hence the company do not form CSR Committee.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company – Disclosed on the website of Sona Machinery Limited, Link: www.sonamachinery.com (Please refer to corporate social responsibility tab in the menu bar of this link)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). - Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S.no.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1.	2023-24	27,652	27,652

6. Average net profit of the company as per section 135(5): Rs. 9,73,12,985/-

7. (a) Two percent of average net profit of the company as per section 135(5)- Rs. 19,46,260/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
 (c) Amount required to be set off for the financial year, If any- NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 19,46,260/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in `)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
	Amount	Date of transfer	Name of the Fund	Amount	
19,50,000/-	NIL	NA	NA	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in `).	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in `)	Mode of implementation -Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR registration number

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent in the current financial Year	Mode of implementation -Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR registration number
1.	For Making of bicycle stand in school for students	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	West Bengal		2,50,000/-	Yes	NA	NA

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent in the current financial Year	Mode of implementation -Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR registration number
2.	For providing smart class facility, Urinals and drinking water to the students	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Gujarat		17,00,000	No	Yuva Unstoppable	CSR00000473

- (d) Amount spent in Administrative Overheads- NIL
(e) Amount spent on Impact Assessment, if applicable- Not Applicable
(f) Total amount spent for the Financial Year (6a+6b+6c)- Rs. 19,50,000/-
(g) Excess amount for set off, if any- 3,740/-

S.no.	Particulars	Amount (in Rs)
(i)	Two percent of average net profit of the company as per section 135(5)	19,46,260/-
(ii)	Total amount spent for the Financial Year	19,50,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,740/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,740/-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the financial Year	Amount transferred to a fund as specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in `)	Deficiency, if any
					Amount (in `)	Date of transfer		
(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)

Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in `)	Cumulative amount spent at the end of reporting Financial Year.	Status of the project- Completed /Ongoing

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

☐ Yes ☒ No

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

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

Sl. No.	Short particulars of the property or asset(s) including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR Spent for creation or acquisition of capital asset.	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if any	Name	Registered Address

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

For and on behalf of the Board
Sona Machinery Limited

Vasu Naren
Chairman & Managing Director
DIN: 06915821

Shweta Baisla
CFO &WTD
DIN: 09652443

ANNEXURE-4
CEO/CFO CERTIFICATION

The Board of Directors
Sona Machinery Limited

Compliance Certificate as required under Regulation 17(8) and Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify that:

We have reviewed Audited Financial Statements and the Cash Flow Statements for the Financial Year ended on 31st March, 2025 and that to the best of our knowledge and belief:

These statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading.

II. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. They are to the best of our knowledge and belief, no transactions entered into by the company during the half financial year which are fraudulent, illegal or violates of the company's code of conduct.

C. We accept the 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.

Shweta Baisla
WTD & Chief Financial Officer
DIN: 09652443

Vasu Naren
Chairman & MD
DIN: 06915821

ANNEXURE-5

DETAILS OF REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES
[Pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including amendments thereto]

A. (i) Ratio of Remuneration of each Director to the median remuneration of all the employees of your Company for the financial year 2024-25 and the percentage increase in remuneration of Chief Financial Officer, Company Secretary or Manager, if any in the financial year are as under:

Name of Directors	Designation	% increase	Ratio of remuneration of Director to the median remuneration of the employees
Vasu Naren	Chairman & Managing Director	0	38.17
Shweta Baisla	WTD and Chief Financial Officer	0	11.42
Naman Jain	Independent Director	--	--
Preet Kumar	Independent Director	--	--
Akash Kumar Bansal	Independent Director	--	--
Supriya	Company Secretary & Compliance officer	8.38 %	4.82

*Except for Key Managerial Personnel, i.e., the Managing Director, Chief Financial Officer, and Company Secretary, no other directors received any remuneration from the company other than sitting fees for attending board meetings and committee meetings.

B. Percentage increase in the median remuneration of all employees in the financial year 2024-25: 22.84%

C. Number of permanent employees on the rolls of the Company as of March 31, 2025: 327

D. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Managerial Remuneration: 0%
Non-Managerial Remuneration: 8.45%

*Independent director sitting fees in not included to calculate average percentile.

E. Affirmation that the remuneration is as per the remuneration policy of the company: Yes

G. Details of employees, employed throughout the financial year 2024-25, who were in receipt of remuneration for that year which in aggregate, was not less than One Crore and Two Lacs Rupees.

Rupees in Lakhs

Name	Designation	Remuneration Received	Qualification (years)	Experience	Joining Date	Age (years)	Last Organisation
Rajeev Sachdeva	VP-Sales	2,664,038	B.E	36 yrs	01-Apr-23	46	Premium Pulman Pvt Ltd
Nitish Kumar	AGM	2,272,216	B.Tech	13 Yrs	04-Mar-24	59	Frigo Glass india Pvt. Ltd.
Rajeev Chauhan	Assistant GM	2,078,148	B.Tech	38 yrs	02-Jan-23	60	Fujin Corporation Pvt Ltd
Om Prakash Thakur	Sr. Manager - Planning & Control	1,611,191	B.Tech	15 yrs	01-Jul-23	32	ISGEC Heavy Engineering Ltd
Ramavtar Singh	General Manager	1,373,418	B.Tech	41 Yrs	04-Sep-23	64	SAEL Industries Limited
Nitin Saxena	Strategic Initiative	1,316,794	BHM	22 Yrs	07-Nov-24	35	SGT university
Hashim	Sr. Manager	1,278,936	B.A	12 yrs	01-Jan-21	45	Sona Foods
Haniel Katy	General Manager	1,219,798	B.A	12 Yrs	22-May-24	36	Green Panel Industries Limited
Shashikant Diliprao Patil	Sr. Manager	1,143,261	B.ME	7 Yrs	01-Apr-24	34	Shri Industries
Vindresh Gupta	Sr. Manager	1,019,663	MBA	14 Yrs	15-Jul-24	36	Antresh Vision India Pvt. Ltd.
Yadupati Singh	National Manager Projects & Service Support	908,918	B.ME	13 Yrs	25-Apr-24	34	Buhler India Pvt. Limited

4. All appointments are permanent and terminable by notice on either side.

By Order of the Board of Directors
For Sona Machinery Limited

Dated: 05/09/2025
Place: Noida

Vasu Naren
Chairman & MD
DIN: 06915821

- H. Details of employees, employed for a part of the financial year 2024-25, who were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lacs and Fifty Thousand Rupees per month: NA
- I. Details of employees, employed throughout the financial year or part thereof, who were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: NA
- J. Details of employees posted outside India and in receipt of a remuneration of Rs. 60 lakhs or more per annum or Rs. 5 lakhs or more a month: NA

Note:

1. CTC of the Director and employees is considered to calculate the Ratio of remuneration of Director to the median remuneration of the employees. Remuneration includes basic salary, allowances, contribution towards provident fund, statutory bonus, performance linked variable pay, gratuity etc.
2. For calculation of median remuneration, the number of employees as on the end date of the financial year has been taken into consideration.
3. Employees mentioned above are neither relative of any director or manager of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

FINANCIALS

FY 2024-25

INDEPENDENT AUDITORS' REPORT

To
The Members of
Sona Machinery Limited
(Formerly known as Sona Machinery Private Limited)

Report on the Audit of the Financial Statements

Opinion:

We have audited the accompanying financial statements of Sona Machinery Limited (Formerly known as Sona Machinery Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and profit 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 specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the 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 ('KAM') 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. We state below Key Audit matter and our audit approach is listed as under for the same.

Key Audit Matter	How our audit addressed the key audit matter
Valuation of Inventory The Company migrated to a new accounting software i.e. Business Central, with effect from April 1, 2024. However, the inventory module of the said system was implemented mid Year Owing to the limited period of implementation and system stabilization, certain discrepancies were observed in the inventory reports generated, which did not provide complete and accurate details of the movement of physical inventory. Therefore, Management did the physical verification of stock items and based on the physically found stock items, valuation of the stock has been derived by the management. We determined that this is a key audit matter due to (i) the Non availability of movement of stock items, (ii) Closing Physical Quantity of stock items is subject to Human counting error. (iii) the significant auditor effort in	Our approach to addressing the matter included the following procedures: We tested the reasonableness of the estimate of Closing Inventory through evidence which includes the following: ● Physical inventory observation: The Company's has year-end physical inventory count and also the Physically Quantity of stock items were test checked by Internal Auditor during the physical verification and in their report no material discrepancy was found. We also performed independent test counts on a sample of items, and traced these to the Company's count records to verify the accuracy of closing inventory quantities. ● Cut-off Procedures: We have tested transactions around the balance sheet date to ensure proper inclusion or exclusion of inventory in the correct period through verifying the Goods Receipt Notes (GRNs), Purchase Invoices, Delivery Challans, and Sales Invoices near year-end.

Key Audit Matter	How our audit addressed the key audit matter
in performing procedures to test the closing physical quantity of stock items.	● Substantive testing of transactions: We have vouched a sample of inventory inwards to purchase invoices and goods receipt notes, and outwards to sales invoices and dispatch records, to confirm the completeness and accuracy of recorded movements. ● Analytical procedures: We have applied analytical procedures including gross profit analysis, consumption ratios, and yield testing, and comparing them with prior periods. ● Management Representation: We have obtained a representation letter from management regarding completeness and correctness of inventory records in absence of a system-generated movement report.

Information other than the Financial Statements and Auditor’s Report thereon:

The Company’s Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Responsibilities of Management for the Financial Statements:

The accompanying financial statements have been approved by the Company’s Board of Directors. The Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules 2021 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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.

Other Matter

The statutory auditors of the Company for the financial year ended 31st March, 2024, were M/s. R. K. Jagetiya & Co., Chartered Accountants, Firm Registration No. 14626, whose term had completed at the conclusion of the 5th Annual General Meeting held on 26th September 2024. who have expressed an unmodified opinion on those financial statements vide their audit report dated 28 July 2024.

Report on Other Legal and Regulatory Requirements

- a) As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act
- b) As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India 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, to the extent applicable.
- c) Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except the matter stated in paragraph h(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) The financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph c(b) above on reporting under section 143(3)(b) of the Act and paragraph h(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position as at 31 March 2025;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42(h) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42(i) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared and paid any dividend for the year ended 31 March 2025.

vi. Based on our examination, which included test checks, the Company has used Business Central ERP software for maintaining its books of account during the year ended March 31, 2025. The software includes a feature of recording audit trail (edit log) and the same has operated for all transactions recorded in the software except recording of quantitative data of inventory movement, opening and closing balances which were not recorded in the software therefore the audit trail (edit log) facility cannot be verified by us with respect to such inventory data.

However, audit trail (edit log) functionality has not been enabled for direct database changes. It was however noted that the access to the database was restricted to the software vendor's database teams alone, thereby ensuring adequate internal control. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention except in the case of direct database where this functionality was not enabled.

For Sanjay V Gupta & Associates
Chartered Accountants
ICAI Firm's Registration No.: 018701N

Sanjay Gupta
Partner
Membership No.: 500613
UDIN: 25500613BMHZAW8305

Place: New Delhi
Date: 29 May 2025

Annexure A referred to in our Independent Auditor's Report of even date to the members of Sona Machinery Limited (Formerly known as Sona Machinery Private Limited) on the financial statements for the year ended 31 March 2025

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work in progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 11 to the Financial Statements, are held in the name of the Company.

(d) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has not revalued its property, plant and equipment and intangible assets during the year.

(e) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no proceedings or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory in transit. In our opinion, the frequency of such verification is reasonable and the coverage and procedure of such verification as followed by the management were appropriate. According to the information and explanation given to us and as examined by us, no material discrepancies were noticed on such verification between the physical stock and books records that were 10% or more in aggregate for each class of inventory.

(b) The Company has not been sanctioned working capital limits in excess of Rs. 5.00 crore, in aggregate, from the banks on the security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has not made any investment in, not provided any guarantee or security or not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) We have not been furnished with cost records for purchases, consumption of raw material, scrap etc details, if any, which was required to be made and maintained during the year, therefore we are unable to comment on the requirement of this para.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

- (ix) (a) According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks or any lenders.
- (b) According to the information and explanations given to us, the company is not declared wilful defaulter by any bank or financial institution or other lender.
- (c) 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 availed following loan facility during the year.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company and on an overall examination of the financial statements, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Since, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

Name of the lender	Type of Loan	Amount of loan	Rate of Interest	Tenure
Mercedes- Benz Financial Services	Vehicle Loan	1 Crore	8.70% PA	60 Months

- (f) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures, or associates companies. Since, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) During the course of Audit, we have not come across with any fraud case by the management or on the management which require report under sub-section (12) of Section 143 of the Companies Act, 2013, accordingly such report 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) As informed to us, and basis of the documents given for our verification, no instance of the whistle blower complaints received by the Company during the period under review, accordingly there is no such consideration while determining the nature, timing and extent of audit procedures.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 177 and 188 of the Act wherever applicable, and the details of such related party transactions have been disclosed in the financial statements as required, by the applicable accounting standards.

- (xiv) a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the report issued by M/s ASC Consulting Private Limited, Internal Auditors to the Company for th period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

(xvii) According to the information and explanation given to us, the Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) As represented to us by the management and based on the information and explanations given, the Company has appointed us as its statutory auditors in the Annual General Meeting held in the preceding year dated 26 September 2024, in place of the previous auditors i.e. M/s R K Jagetiya & Co Chartered Accountants whose tenure had been completed as per the provisions of the Companies Act, 2013. We further report that there has been no case of resignation of the statutory auditors during the year, and we have obtained a no objection certificate from them.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the Company has complied with CSR regulations under sub section 5 of section 135 of the Act pursuant to any project. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Sanjay V Gupta & Associates
Chartered Accountants
ICAI Firm's Registration No.: 018701N

Sanjay Gupta, FCA
Partner
Membership No.: 500613

Place: New Delhi
Date: 29 May 2025

Annexure B referred to in our Independent Auditor's Report of even date to the members of Sona Machinery Limited (Formerly known as Sona Machinery Private Limited) on the financial statements for the year ended 31 March 2025

Report on the internal financial controls with reference to the Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Financial Statements of **Sona Machinery Limited (Formerly known as Sona Machinery Private Limited)** ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sanjay V Gupta & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 018701N

Sanjay Gupta, FCA
Partner
Membership No.: 500613

Place: New Delhi
Date: 29 May 2025

Particulars	Note	Figures as at the end of Current reporting period March 31, 2025	Figures as at the end of Current reporting period March 31, 2024
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	1,372.40	1,372.40
Reserves and Surplus	4	5,557.23	5,172.10
		6,929.63	6,544.50
Non-Current Liabilites			
Long Term Borrowings	5	112.98	47.71
Long Term Provisions	6	23.76	25.30
		136.74	73.01
Current Liabilities			
Short Term Borrowings	7	128.68	48.79
Trade payables:			
- Due to micro & small enterprises	8	235.00	384.83
- Due to other than micro & small enterprises	8	920.28	732.64
Other current liabilities	9	1,169.94	593.89
Short-term provisions	10	18.87	203.81
		2,472.77	1,963.96
Total equity and liabilities		9,539.14	8,581.47
ASSETS			
	11		
Non-Current Assets	11	2,903.77	629.09
Property, plant & equipment		20.98	22.66
Intangible Assets	12	218.08	-
Capital work-in-progress	36		290.00
Non-current investments	13	64.75	26.03
Deffered tax assets (net)		58.48	101.70
Other non-current assets		3,266.06	1,069.48
Current Assets	14		
Inventories	15	2,268.96	1,221.97
Trade Receivables	16	1,384.39	953.16
Cash and Bank Balance	17	558.11	4,585.49
Short-term Loans and Advances	18	586.76	349.45
Other Current Assets		1,474.86	401.92
		6,273.08	7,511.99
TOTAL		9,539.14	8,581.47
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these financial statements.			
This is the balance sheet referred to in our report of even date.			

FOR SANJAY V GUPTA & ASSOCIATES
Chartered Accountants
Firm Registration No: 018701N

For and on behalf of the board of Directors
Sona Machinery Limited
(Formerly known as Sona Machinery Private Limited)

Sanjay Gupta
Partner
Membership No. : 500613

Vasu Naren
MD & Chairman
DIN : 06915821

Shweta Baisla
WTD & CFO
DIN : 09652443

Supriya
Company Secretary
M.No: A57314

Place : New Delhi
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Operations	19	9,491.62	9,529.71
Other Income	20	104.92	38.56
Total Income		9,596.54	9,568.27
Expenses			
a) Cost of Materials Consumed	21	5,391.36	5,478.12
b) Purchases of Stock-in-Trade	22	839.20	359.56
c) Changes in Inventories of finished goods, Work-in-progress and Stock-in-Trade	23	(637.48)	(463.42)
d) Employee Benefit Expenses	24	1,456.99	1,329.36
e) Finance Costs	25	14.38	14.10
f) Depreciation and Amortization Expenses	26	182.03	120.47
g) Other Expenses	27	1,821.39	1,327.20
Total Expenses		9,067.87	8,165.39
Profit before exceptional, extraordinary Items and tax		528.67	1,402.89
Prior Period Items			(4.61)
Profit before tax		528.67	1,407.50
Tax Expense:			
Current tax	28	181.11	373.42
Tax adjustments of earlier years	28	1.15	(1.63)
Deferred tax	36	(38.72)	(11.04)
Total tax expenses		143.54	360.75
Profit for the period		385.13	1,046.75
Earning per equity share (In Rupees):			
Basic & diluted		2.81	10.15
Summary of significant accounting policies			
The accompanying notes are an integral part of these financial statements.			
This is the statement of profit & loss referred to in our report of even date.			

FOR SANJAY V GUPTA & ASSOCIATES
Chartered Accountants
Firm Registration No: 018701N

For and on behalf of the board of Directors
Sona Machinery Limited
(Formerly known as Sona Machinery Private Limited)

Sanjay Gupta
PARTNER
MEMBERSHIP NO. : 500613

Vasu Naren
MD & Chairman
DIN : 06915821

Shweta Baisla
WTD & CFO
DIN : 09652443

Supriya
Company Secretary
M.No: A57314

Place : New Delhi
DATE : 29 MAY 2025

Place : Ghaziabad
DATE : 29 MAY 2025

Place : Ghaziabad
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities		
Net Profit before taxation	528.66	1,407.50
Adjustments for:		
Depreciation on property, plant and equipment	182.03	120.47
Loss/ (Gain) on sale of property, plant and equipment	(0.89)	10.45
Loss/ (Gain) on sale of investments	(16.64)	3.06
Interest Expense	13.41	13.70
Provision for gratuity	11.77	3.43
Deduct:		
Interest Received on Fixed Deposits and Bonds	74.47	21.45
Operating Profit before Working Capital changes	643.87	1,537.16
Adjustments for :		
(Increase) /Decrease in inventories	(1,047.00)	(695.08)
(Increase) /Decrease in trade receivables	(431.22)	(359.11)
(Increase) /Decrease in Short term loans and advances	(237.31)	(135.73)
(Increase) /Decrease in other current assets	(1,072.94)	(394.40)
(Increase) /Decrease in Other non current assets	43.22	(99.45)
Increase/(Decrease) in Trade Payables	37.82	210.34
Increase/(Decrease) in Other Current Liabilities	576.05	211.82
Increase/(Decrease) in Provisions	(152.43)	134.43
Cash Generated from Operations	(1,639.94)	409.94
Direct tax adjustments	(228.09)	(449.89)
Net Cash inflow I(outflow) from Operating activities (A)	(1,868.02)	(39.95)
Cash Flow from Investing Activities		
Purchase of property, plant and equipments	(2,680.46)	(365.93)
Sale of property. Plant and equipments	8.25	0.10
Investments	290.00	112.78
Loss/ (Gain) on sale of investments	16.64	(3.06)
Interest Received on Fixed Deposit and bonds	74.47	21.45
Net Cash inflow I(outflow) from Investing activities (B)	(2,291.10)	(234.65)
Cash Flow from Financing Activities		
Proceeds from equity issuance	-	4,366.71
Increase / (decrease) Long term borrowings	65.27	(53.94)
Increase / (decrease) Short term borrowings	79.89	(102.16)
Interest expenses	(13.41)	(13.70)
Net Cash inflow I(outflow) from Financing activities (C)	131.74	4,196.91
Net increase I(decrease) in cash and cash equivalents (A+B+C)	(4,027.38)	3,922.31
Cash and Cash Equivalents at the beginning of the year	4,585.49	663.19
Cash and Cash Equivalents at the closing of the year	558.10	4,585.49
Refer note no. 16 for the components of cash and cash equivalents. This is the cash flow statement referred to in our report of even date.		

FOR SANJAY V GUPTA & ASSOCIATES Chartered Accountants Firm Registration No: 018701N		For and on behalf of the board of Directors Sona Machinery Limited (Formerly known as Sona Machinery Private Limited)	
SANJAY GUPTA PARTNER MEMBERSHIP NO. : 500613	Vasu Naren MD & Chairman DIN : 06915821	Shweta Baisla WTD & CFO DIN : 09652443	Supriya Company Secretary M.No: A57314
Place : New Delhi DATE : 29 MAY 2025	Place : Ghaziabad DATE : 29 MAY 2025	Place : Ghaziabad Date : 29 May 2025	Place : Ghaziabad Date : 29 May 2025

Company's overview and significant accounting policies for the year ended 31 March 2024
Note

1. Corporate Information:
Company was originally incorporated as a Private Limited Company under the name of “Sona Machinery Private Limited” on February 12, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on September 21, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Sona Machinery Private Limited” to “Sona Machinery Limited” vide a fresh certificate of incorporation Consequent upon conversion to public company dated October 17, 2023, issued by the Registrar of Companies, Delhi and the company got listed on NSE(SME) portal w.e.f March 11, 2024 having CIN L29256DL2019PLC345856.
- "Nature of operations:
- To carry on the business as manufactures, importers, exporters, dealers of Rice mill machinery, Dal Mill machinery, Flour mill machinery and machinery for milling of other grains and cereals etc. and to set up factories or mills for the manufacture thereof
- To carry on the business of manufacturers, wholesalers, dealers, exporters, importers of any kind of machinery, equipment and / or tools for the food processing industry and all kinds of machinery, tools, implements for all kinds of industry including agricultural, horticultural and scientific instruments of any kind.
- To engage, undertake and execute any contracts for works involving repair or use of any machinery or machine tools and to carry out any primary, secondary, ancillary or other works."
2. Significant Accounting Policies:
- 2.1. Basis of accounting and preparation of financial statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and also on accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards and the relevant provisions of the Companies Act, 2013.
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.The Company has ascertained its Operating Cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.
- 2.2. Use of estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the results of operation during the reported period and disclosure of contingent liabilities as on the reporting date. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are in their best knowledge of current event and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the period in which the results are known or materialize. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, provisioning for taxation etc.
- 2.3. Revenue:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sale of product revenue is recognized on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated at values net of Goods and Services Tax (GST). Interest income is recognized on time proportion basis.
- 2.4. Expenses:
Expenses are accounted for on accrual basis and provisions are made for all ascertained and known liabilities and losses.
- 2.5. Property, plant and equipment:
Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an property, plant and equipment comprises its purchase price, any costs directly

attributable to bringing the property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

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 the 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 statement of profit and loss.

2.6 Depreciation on property, plant and equipment:

The Company provides depreciation on items of property, plant and equipment on written down value method (WDV) based on useful life specified as below.

Type of Assets	Period
Computer, Laptop, Equipments	3 Years
Electrical/ Office Equipments	5 Years
Furnitures	10 Years
Motor Vehicles	10 Years
Plant and Machinery	15 Years
Computer (Server)	6 Years
Residual value taken as 5%	

Depreciation amount for asset is the cost of an asset less its estimated residual value. In case of impairment, depreciation is provided on revised carrying amount over its remaining useful life.

- 2.7 Intangible Asset:
Intangible assets comprises of application Software. Intangible assets are recognized, only if they are separately identifiable and have future economic benefits arising out of them, at cost less accumulated amortization and impairment, if any.
- 2.8 Amortization of Intangible assets:
Intangible assets comprises of Software & licences are amortized over the five years.
- 2.9 Impairment:
The management assesses the carrying amount of plant and equipment and intangible asset at each balance sheet date to determine whether there is any indication of impairment based on internal/external resources. If any such indications exist, the recoverable amount of plant and equipment and intangible asset is estimated. An impairment loss is recognized wherever the carrying amount of an plant and equipment and intangible asset exceeds its recoverable amount. The recoverable amount is the greater of the plant and equipment and intangible asset's, net selling price and value in use. An impairment loss is recognized in the statement of profit and loss in the year in which the plant and equipment and intangible asset is recognized as impaired.
- 2.10 Borrowing cost:
Borrowing costs which is attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue in the year of incurrence.
- 2.11 Employee benefit expenses:
- i) The company does not carry forward the balance of earned leave balance of employees, balance earned leave is paid to the employees according to the policy of company.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are `

provided on the basis of the actuarial valuation as at the date of the Balance Sheet."

- 2.12 Leases:
Where Company is lessee, the lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the Company's benefit. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.
- 2.13 Foreign Currency Transaction:
a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.
b) Short term monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the year end, are translated /re-converted at the year-end exchange rate unless covered by a forward contract.
c) Any gain or loss arising on settlement and / or translation of short term monetary transaction in foreign currency is accounted for in the statement of Profit and Loss.
- 2.14 Taxation:
Income tax:
Current tax is determined as the amount of tax payable in respect of taxable income for the period calculated as per the prevailing provisions of Income Tax Law.
- Deferred Tax is calculated on timing differences, being the difference between taxable income and the accounting income that originates in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to the consideration of prudence, are recognized and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- 2.15 Provisions, Contingent Liabilities and Contingent Assets:
A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.
- Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow of resources will not be required to settle the obligation. Depending upon facts of each case and after due evaluation of relevant legal aspects, Claims not acknowledged as debts, are regarded as contingent liabilities in the accounts.
- 2.16 Earnings Per Share:
In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Split/Bonus in face value of equity share of company has been considered as if it took place at the beginning of reporting period. There is no Antidilutive nature of instruments in during the reporting period
- 2.17 Cash and Bank Balances:
Cash and bank balances for the purposes of cash flow statement comprise Fixed Deposit, cash at bank, cash in hand.
- 2.18 Segment Reporting
Business Segment
(a) The business segment has been considered as the primary segment.
(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
(c) The Company's primary business includes manufacturing of equipments for Cleaning, Processing, Polishing and Packaging of Rice, Pulses, Wheat, etc. this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting' therefore disclosure for Segment reporting is not applicable."

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

SONA MACHINERY LIMITED
(Formerly known as Sona Machinery Pvt Ltd)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31st, 2025

3 SHARE CAPITAL (Rupees in Lakhs unless otherwise stated)
Except Share Data

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10/- each fully paid up	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Issued, Subscribed & Fully Paid up Equity Shares of Rs. 10/- each fully paid up	1,37,24,000	1,372.40	1,37,24,000	1,372.40
Total	1,37,24,000	1,372.40	1,37,24,000	1,372.40

a) The Reconciliation of the number of shares outstanding and the amount of share capital is set out below:
(Rupees in Lakhs unless otherwise stated)

Shares outstanding	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,37,24,000	1,372.40	1,00,000	10
Shares Issued during the year			36,24,000	362.40
Bonus Shares Issued during the year			1,00,00,000	1,000.00
Shares bought back during the year			-	-
Shares outstanding at the end of the year	1,37,24,000	1,372.40	1,37,24,000	1,372.40

b) Rights, preferences and restrictions attached to equity shares

Terms/rights attached to equity shares:
(i) The company has only one class of equity shares having a par value of `10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, if any.
(ii) 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 shareholders.
(iii) The company has issued 1,00,00,000 Bonus Shares on 13 September, 2023 in the ratio of 100:1 to existing shareholders.
(iv) Pursuant to shareholder's resolution dated 04th September, 2023 the authorized share capital of the company be increased from Rs 10,00,000/- (Rupees Ten Lakhs only) divided in to 1,00,000 equity shares of Rs 10/- each to Rs 15,00,00,000 (Rupees Fifteen crore only) divided in to 1,50,00,000 equity shares of Rs 10/- each ranking pari-passu with the existing share capital.
v) The Company has made an initial public offering (IPO) of 36,24,000 no. of Equity shares of face value of Rs 10/- each fully paid up for cash at a Price of Rs 143/- each (including share premium of Rs 133/- each). The equity share of the Company got listed on NSE Emerge platform 'on March 13, 2024. "

c) Details of shareholder holdings more than 5% shares as at 31 March 2025 and 31 March 2024

Shareholder(s) holding more than 5% shares	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narender Kumar	7,07,000	5.15%	7,07,000	5.15%
Shweta Baisla	3,02,996	2.21%	3,02,996	2.21%
Vasu Naren	90,90,000	66.23%	90,90,000	66.23%

d) Detail of shareholding of promoters along with the changes during the FY 2024-25

Name of Promoters	As at March 31, 2025		% Change during the year
	No. of Shares held	% of Holding	
Narender Kumar	7,07,000	5.15%	-
Shweta Baisla	3,02,996	2.21%	-
Vasu Naren	90,90,000	66.23%	-
Total	1,00,99,996	73.59%	-

4 RESERVES & SURPLUS (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
a) Surplus of profit and loss statement		
Opening balance	1,167.79	1,121.03
(+) Net profit for the current year	385.13	1,046.75
(-) Transferred to share capital	-	(1,000.00)
Closing balance	1,552.92	1,167.79
b) Security premium account		
Opening balance	4,004.31	-
(+) Addition during the year	-	4,819.92
(-) Amount utilised	-	(815.61)
Closing balance	4,004.31	4,004.31
Total (a+b)	5,557.23	5,172.10

5 LONG TERM BORROWINGS (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
a Secured		
Vehicle loan (Note 1)	94.61	17.48
Machine loan	94.61	27.48
b Unsecured		
Term loan (Note 3)	18.37	20.23
Total (a+b)	112.98	47.71

6 LONG TERM PROVISIONS (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Provision for Gratuity	23.76	25.30
Total	23.76	25.30

7 SHORT TERM BORROWINGS (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
a Secured		
Current maturity of long term debts		
Vehicle loan (Note 1)	16.48	10.89
Machine loan (Note 2)	10.00	30.97
	26.48	41.86
b Unsecured		
Term loan (Note 3)	1.93	6.70
Bank overdraft (Note 4)	100.27	0.23
	102.20	6.93
Total (a+b)	128.68	48.79

Notes:

1. Total outstanding vehicle loans of Rs. 111.09 Lacs {Rs. 94.61 Lacs reflecting under long term borrowing and Rs. 16.48 Lacs reflecting under short term borrowings} represents towards Kia car loan for Rs. 17.31 lacs which is secured against hypothecation of vehicle. The tenure of this loan will be ends on 15 November 2027. Further, the loan of Rs. 93.22 lacs represent towards Mercedes Benz which is secured against hypothecation of motor vehicle. The tenure of this loan will be ends on 09 August 2029. Interest rate this loan was 8.70% P.A. Further, balance of Rs. 0.56 represent towards Car loan from HDFC bank whose tenure will be ends on 05 October 2025.

2. Total outstanding Machine loan of Rs. 10.00 Lacs reflecting under short term borrowing represents towards Machines taken for productions which is secured against hypothecation of Machines. The tenure of this loan will be ends on 22 July 2025.

3. Total outstanding term loans of Rs. 20.30 Lacs {Rs. 18.37 Lacs reflecting under long borrowing and Rs. 1.93 Lacs reflecting under short term borrowing} represent towards Yes Bank outstanding for Rs. 18.84 Lacs which is secured against personal property of former Director, Mr. Narender Kumar and balance outstanding of Rs. 1.46 Lacs represent towards Federal bank. The tenure of Yes bank loan will ends on 09 August 2045 while federal bank loan ends on 02 June 2025

4. The bank overdraft is secured against personal property of Mr. Narender Kumar who was the former director of the Company.

8 TRADE PAYABLES (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
- Due to Micro and Small Enterprises	235.00	384.83
- Other than Micro and Small Enterprises	920.28	732.64
	1,155.28	1,117.47

Disclosure is made to the extent of information available with management. Payables to micro, small enterprise includes payables towards manufacturing, services and trading enterprises.

Trade payables ageing schedule as on 31 March 2025: (Rupees in Lakhs unless otherwise stated)

Particulars	Outstanding for following periods from date of due date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME, Micro and Small	-	234.86	0.14	-	-	235.00
(ii) Others	-	898.04	22.24	-	-	920.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-

Trade payables ageing schedule as on 31 March 2024: (Rupees in Lakhs unless otherwise stated)

Particulars	Outstanding for following periods from date of due date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME, Micro and Small	-	384.83	-	-	-	384.83
(ii) Others	-	732.64	-	-	-	732.64
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-

9 OTHER CURRENT LIABILITIES (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Accrued salaries and benefits	93.85	78.48
Salaries and benefits payable	6.78	8.34
Contribution to EPF	0.87	1.08
Contribution to ESI	9.03	28.84
Incentive payable		
Other liabilities		
Advance received from customers	996.13	393.48
Ineterst accrued but not due	0.81	0.57
Statutory dues payables	62.47	83.10
Total	1,169.94	593.89

10 Short term provisions (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Provision for gratuity	3.40	0.60
Provision for other expenses	15.47	203.21
Total	18.87	203.81

11. Property, Plant & equipment and Intangible assets
Property Plant & equipment consists of the following :-
Notes Forming part of financial statements

(I) Tangible assets

Description	Land	Building	Computer & accessories	Furniture	Electrical/ Office Equipments	Plant & Machinery	Vehicles	Total
Gross Block as at April 1, 2024	-	-	51.37	34.52	36.67	647.67	118.30	888.53
Additions	2,012.69	3.75	31.73	60.69	4.17	174.61	166.08	2,453.72
Deletions / Adjustments	-	-	-	-	-	-	17.32	17.32
Gross Block as at March 31, 2025	2,012.69	3.75	83.10	95.21	40.84	822.28	267.06	3,324.93
Accumulated depreciation as at April 1, 2024	-	-	35.04	15.38	19.39	155.32	34.31	259.44
Depreciation for the year	-	1.50	18.45	7.43	8.61	92.67	43.03	171.69
Deletions / Adjustments	-	-	-	-	-	-	9.97	9.97
Accumulated depreciation as at March 31, 2025	-	1.50	53.49	22.81	28.00	247.99	67.37	421.16
Net book value as at March 31, 2025	2,012.69	2.25	29.61	72.40	12.84	574.29	199.69	2,903.77
Net book value as at March 31, 2024	-		16.33	19.14	17.28	492.35	83.99	629.09

(I) Intangible assets

Description	Softwares	Total
Gross Block as at April 1, 2024	47.43	47.43
Additions	8.66	8.66
Deletions / Adjustments	-	-
Gross Block as at March 31, 2025	56.09	56.09
Accumulated amortization as at April 1, 2024	24.76	24.76
Amortization for the year	10.35	10.35
Deletions / Adjustments	-	-
Impairment (loss)	-	-
Accumulated amortisation as at March 31, 2025	35.11	35.11
Net book value as at March 31, 2025	20.98	20.98
Net book value as at March 31, 2024	22.66	22.66

12 Non Current Investments

(Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Fixed deposits with banks	-	90.00
Funds _YSL Alternates Alpha Plus Fund	-	200.00
Total	-	290.00

Particulars	As On	
	31-Mar-25	31-Mar-24
Security deposits	9.03	2.25
IPO expenditures	49.45	99.45
Total	58.48	101.70

14 Inventories (valued at lower of cost or NRV) (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Raw material	1,054.38	644.87
Work in process	864.30	230.78
Finished goods	350.28	346.32
Total	2,268.96	1,221.97

15 Trade receivables (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Unsecured, considered good	1,384.39	953.16
Unsecured, considered doubtful	157.32	28.90
Less: Provision for doubtful debts*	(157.32)	(28.90)
Total	1,384.39	953.16

*Provision for doubtful debts

Periodically, the Company evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could affect the customer's ability to settle. The Company pursues the recovery of the dues, in part or full.

The classification of receivables outstanding for a period less than or exceeding six month is done on the basis on the ageing drawn as per due date.

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 month	"6 months - 1 year"	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables	-					
- Considered good	900.67	194.15	268.73	16.36	4.49	1,384.39
- Considered doubtful	-	-	84.42	59.72	13.18	157.32
(ii) Disputed trade receivables	-					
- Considered good	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-
Less: provision for doubtful debts		-	(84.42)	(59.72)	(13.18)	(157.32)
Total trade receivables	900.67	194.15	268.73	16.36	4.49	1,384.39

Trade receivables ageing schedule as on 31 March 2024: (Rupees in Lakhs unless otherwise stated)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables						
- Considered good	747.12	110.50	79.72	15.83	-	953.16
- Considered doubtful	-	-	14.63	14.28	-	28.91
(ii) Disputed trade receivables	-	-			-	-
- Considered good	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-
Less: provision for doubtful debts			(14.63)	(14.28)	-	(28.91)
Total trade receivables	747.12	110.50	79.72	15.83	-	953.16

16 Cash and cash equivalents (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Cash in hand	1.17	0.60
Balances with banks:		
In current accounts	499.08	4,347.64
In fixed deposits having original maturity of less then 3 months	57.86	237.25
Total	558.11	4,585.49

* As certified by the management.

17 Short term loans and advances (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Loans & advances		
Advance given to supplier	413.89	169.91
Prepaid Expenses	37.60	39.10
Balance with revenue authority		
TDS recoverable (net of advance tax and tax provision)	44.04	-
GST receivable	91.23	140.44
Total	586.76	349.45

18 Other current assets (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Fixed deposits	1,097.37	81.00
Advance given for land purchase	-	150.00
Security deposits	36.08	79.95
Funds _YSL Alternates Alpha Plus Fund	216.64	-
IPO expenditures	50.00	50.00
Accrued interest	47.26	6.99
Other assets	27.51	33.98
Total	1,474.86	401.92

19 Revenue from operations (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Domestic sale of goods	9,148.14	9,336.69
Export sale of goods	230.95	101.97
Freight and packaging	24.26	36.32
	9,403.35	9,474.98
Domestic sale of services	73.92	54.73
Export sale of services	14.35	-
	88.27	54.73
Total	9,491.62	9,529.71

20 Other Income (Rupees in Lakhs unless otherwise stated)

Particulars	As On	
	31-Mar-25	31-Mar-24
Interest from fixed deposits	74.47	12.19
Interest on bonds	-	9.26
Profit on sale on property, plant & equipment	0.89	-
Gain on redemption of AIF	16.64	10.64
Advance forfeited	10.02	2.93
Other income	2.90	3.54
Total	104.92	38.56

21 Cost of material consumed

Particulars	As On	
	31-Mar-25	31-Mar-24
Raw material at the beginning of the year	644.87	413.20
Add: Purchases during the year	5,800.87	5,709.79
Less: Raw material at the end of the year	1,054.38	644.87
Total	5,391.36	5,478.12

22 Purchase of stock-in-trade

Particulars	As On	
	31-Mar-25	31-Mar-24
Traded goods purchases during the year	839.20	359.56
Total	839.20	359.56

23 Changes in inventories of work-in-progress and finished goods

Particulars	As On	
	31-Mar-25	31-Mar-24
Opening stocks	346.32	81.89
Finished goods	230.78	31.80
Work in progress	577.10	113.69
Less: Closing stocks	350.28	346.32
Finished goods	864.30	230.79
Work in progress	1,214.58	577.11
Total	(637.48)	(463.42)

24 Employee Benefit expenses

Particulars	As On	
	31-Mar-25	31-Mar-24
Salary, wages and bonus	1,325.96	1,200.38
Employees insurance expenses	45.70	37.55
Employer contribution to PF	55.16	52.61
Employer contribution to ESI	9.75	11.09
Gratuity expenses	11.77	3.43
Staff welfare expenses	8.65	24.30
Total	1,456.99	1,329.36

25 Finance cost

Particulars	As On	
	31-Mar-25	31-Mar-24
Interest on borrowings	13.41	13.70
Other borrowing costs	0.97	0.40
Total	14.38	14.10

26 Depreciation and amortization

Particulars	As On	
	31-Mar-25	31-Mar-24
Depreciation and amortization expenses	182.03	120.47
Total	182.03	120.47

27 Other Expenses

(Rupees in Lakhs unless otherwise stated)

Particulars	For the year ended	
	31-Mar-25	31-Mar-24
Payment to auditors		
-Statutory audit fees	3.86	8.75
-Tax audit fees	1.25	1.25
Bank charges	6.43	4.43
Business promotion expenses	97.78	75.52
Commission & brokerage	202.71	202.00
CSR Expense	19.50	10.50
Charity and donation	4.00	3.00
Manpower supply expenses	59.47	19.74
Communication expenses	4.81	6.54
Professional charges	125.81	59.29
Director sitting fees	2.48	1.20
Utility expenses	83.17	78.11
Export and import expenses	30.00	14.22
Freight and transportation charges	208.79	122.82
Rent expense	100.50	87.91
Foreign exchange loss	4.27	1.96
Postage & courier	1.95	5.90
Bad debts written off	13.06	23.07
Provision for bad or doubtful debts	128.42	21.87
Site maintainance expenses	201.39	32.76
Repair & maintenance	21.61	54.37
Software expenses	45.95	94.28
Insurance expenses	7.66	1.89
Job work expenses	54.56	28.60
Factory expenses	44.36	20.09
Security guard services	29.04	21.04
Travelling and conveyance expenses	240.02	225.31
Other miscellaneous expenses	78.54	100.78
Total	1,821.39	1,327.20

28 Income tax expenses

Particulars	As On	
	31-Mar-25	31-Mar-24
Current tax	181.11	373.42
Tax relating to earlier years	1.15	(1.63)
Deferred tax	(38.72)	(11.04)
Total	143.54	360.75

29 The profit and loss account shall also contain by way of a note the following information, namely:-

Particulars	As On	
	31-Mar-25	31-Mar-24
Value of import on CIF basis		
- 'Raw material	37.49	53.18
- 'Stock in trade	246.39	169.19
Expenditure in foreign currency		
- Business Promotion - Exhibition	-	5.15
- Subscription charges	-	6.08
- Other services	5.17	-
Earnings in foreign exchange		
- Export of goods	27.31	32.28
- Export of services	3.35	-

30 Foreign currency exposure not hedged by derivative instruments or otherwise

Particulars	For the year ended			
	As at 31-Mar-25		As at 31-Mar-24	
	Currency (in actual USD)	Value ₹ in Lacs	Currency (in actual USD)	Value ₹ in Lacs
Advance to Suppliers	1000	0.86	15,510	12.93
Trade payables -Goods	1,65,478.50	141.62	116,848.80	97.39
Trade payables - Services				2.55
Trade receivables	14,326.50	12.26	14,326.50	11.94

31 Related party disclosures
In accordance with accounting standard (AS) -18 "RELATED PARTY DISCLOSURES"

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Vasu Naren (MD and Chairman) Shweta Baisla (WTD and CFO) Narender Kumar (Non executive Director, upto 20 January 2024) Naman Jain (Non executive Director, w.e.f. 06 November 2023) Preet Kumar (Non executive Director, w.e.f. 06 November 2023) Akash Kumar Bansal (Non executive Director, w.e.f. 20 January 2024) Supriya (Company Secretary, w.e.f. 13 September 2023)
Entities where KMP have significant influence where transaction exists	CAN Engineering Solutions Pvt Ltd Sona Foods (India) Prop Narender Kumar Elephant Electric Private Limited Prodry Engineering Solutions Private Limited

Note: Related parties have been identified by the Management.

32 Details of related party transactions during the year ended 31 March, 2025 & 31 March, 2024 :

Description of the nature of transaction	Description of Relationship	Related Party Name	Amount During Current Year	Amount During Previous Year
Director remuneration		Vasu Naren	70.20	70.20
		Shweta Baisla	21.00	21.00
Director sitting fees	Key managerial personnels	Akash Bansal	0.16	-
		Naman Jain	0.24	-
		Preet Kumar	0.24	-
Salary		Supriya	8.86	4.30
Rent		Narender Kumar Prop. Sona Foods India	36.00	36.00
Reimbursement of expenses	Entities where KMP have significant influence	Vasu Naren	28.32	27.10
		Shweta Baisla	1.34	3.61
		Narender Kumar Prop. Sona Foods India	0.08	1.22
Purchase of goods / Property, plant and equipment		CAN Engineering Solutions Pvt Ltd	39.94	-
		Elephant Electric Private Limited	309.77	-
		Prodry Engineering Solutions Pvt Ltd	55.00	-
Sale of goods		CAN Engineering Solutions Pvt Ltd	5.37	377.37
		Prodry Engineering Solutions Pvt Ltd	5.24	-

33 Balance Outstanding of Related Party

Particulars	Receivable/ Payable	As at 31-Mar-25	As at 31-Mar-24
Sona Foods India	Payable	-	6.48
CAN Engineering Solutions Pvt Ltd	Receivable	141.35	224.15
Elephant Electric Private Limited	Payable	62.11	-
Prodry Engineering Solutions Pvt Ltd	Receivable	71.35	-
Vasu Naren	Payable	8.96	4.05
Shweta Baisla	Payable	4.17	2.14
Supriya	Payable	0.69	0.74
Narender Kumar	Payable	0.17	0.17

34 Basic and diluted Earnings Per Share [EPS]
In Accordance with Accounting Standard (AS) -20 "EARNING PER SHARE"

Particulars	As at 31-Mar-25	As at 31-Mar-24
Basic & diluted		
Profit after tax as per accounts (Rs.)	385.13	1,046.75
Earning for BEPS & DEPS	385.13	1,046.75
Weighted average number of shares outstanding	1,37,24,000	1,03,08,504
Basic & diluted EPS (Per share in Rs.)	2.81	10.15
Face value per share (Rs.)	10.00	10.00

1. The company has issued 1,00,00,000 Bonus Shares on 13 September, 2023 in the ratio of 100:1 to existingshareholders
2. The company has issued 36,24,000 No. of equity shares having Face Value of Rs 10/- each in its Initial Public Issue on 11 March, 2024.

35 Disclosure pursuant to accounting standard – 15 ‘Employee Benefits’

a. General description
i. Gratuity (defined benefit plan)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

b. Actuarial assumption:
The following tables set out disclosures prescribed by Accounting Standard-15 on ‘Employee Benefits’ in respect of company’s unfunded gratuity plan.

i. Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	31-Mar-25	31-Mar-24
Present value of obligation as at the beginning of the year	41.55	37.48
Interest cost	3.01	4.07
Current service cost	21.44	
Past Service Cost	-	
Benefits paid	-	
Actuarial (gain) / loss on obligation	(11.36)	
Closing present value of obligation	54.64	41.55

ii. Actuarial gain/ loss recognised in the Statement of Profit and Loss:

Particulars	31-Mar-25	31-Mar-24
Actuarial gain/ (loss) for the year obligation	11.36	-
Total (gain)/ loss for the year	(11.36)	-
Actuarial (gain)/ loss recognized during the year.	(11.36)	-

iii. The amounts recognised in the Balance Sheet are as follows:

Particulars	31-Mar-25	31-Mar-24
Present value of obligation as at the end of the year	54.64	41.55
Fair value of plan assets at the end of the year	27.48	15.64
Net assets / (liability) recognized in balance sheet	(27.16)	(25.91)

iv. The amounts recognized in the Statement of Profit and Loss are as follows:

Particulars	31-Mar-25	31-Mar-24
Current service cost	21.44	3.43
Past service cost	-	
Interest cost	3.01	
Expected return on plan assets	(1.10)	
Net actuarial (gain) / loss recognized in the year	(11.59)	
Expenses recognized in the statement of profit and loss	11.77	3.43

v. Actuarial assumption:

Particulars	31-Mar-25	31-Mar-24
Salary Growth (Note I)	7.00	7.00
Discount Rate	7.25	7.25

Note I - The estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

36 In accordance with accounting standard(AS) -22 "ACCOUNTING FOR TAXES ON INCOME"

Particulars		DTA	DTL	
Calculation of timing difference (T.D.):-				
Opening Balance of T.D.				
Difference between WDV of fixed assets				
	912.06			
As per Companies Act, 2013		72.79	-	
As per Income Tax Act, 1961	984.85		-	
Provision for gratuity (net)	27.16		-	
Provision for doubtful debts	157.32	184.48	-	
Less:- Reversal of T.D.		-	-	
Closing balance of timing difference (T.D.)		257.27		
Timing Difference (NET) - DTA				257.27
Calculation of deferred tax:-				
Timing difference (T.D.)				257.27
Tax Rate (%)				25.17%
Deferred tax assets for the year [DTA]				64.75
[Shown in Balance Sheet]				
Existing value [deferred tax assets already created]				26.03
Deferred tax created [transfer to profit & loss account {income}]				38.72

Financial ratios:

Ratio	31-Mar-25	31-Mar-24	Change	Reason for Variance above 25%
a) Current ratio :	2.54	3.82	-33.68%	(Substantial decrease in current assets as compared to previous year)
b) Debt-equity ratio	0.03	0.01	136.51%	(Substantial increase in borrowings as compared to previous year)
c) Debt-service coverage ratio	11.69	25.26	-53.72%	(Substantial decreases in profits as compared to previous year)
d) Return on equity ratio	5.72%	27.28%	-79.04%	(Substantial decreases in profits as compared to previous year)
e) Inventory turnover ratio (in days)	114	59	91.80%	(Substantial increase in inventories as compared to previous years)
f) Trade receivable turnover ratio (in days)	45	30	51.69%	(Substantial increase in receivables as compared to previous years)
g) Trade payables turnover ratio (in days)	62	61	2.61%	--
h) Net working capital turnover ratio	2.03	3.19	-36.27%	(Substantial decrease in current assets as compared to previous year)
i) Net profit ratio	4.06%	10.98%	-63.06%	(Substantial decreases in profits as compared to previous year)
j) Return on capital employed	7.63%	21.48%	-64.50%	(Substantial decreases in profits as compared to previous year)
k) Return on investment	0.00%	6.86%	-100.00%	--

- (1) Current Ratio = Current Assets / Current Liabilities.
(2) Debt- equity ratio = Total debt / Shareholders' equity.
(3) Debt service coverage ratio = EBITDA/(Principal + Interest).
(4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.
(5) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
(6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
(7) Trade payables turnover ratio=Purchase/Average trade payables.
(8) Net Capital turnover ratio=Net sales/Average working capital.
(9) Net profit ratio=Net profit after taxes/Total Revenue.
(10) Return on capital employed=Earnings before interest and taxes/Capital employed.
(11) Return on investment/Total Assets=PAT/Total Assets."

In the opinion of the board, the current assets, loans and advances are of the value stated if realized ordinary course of business. The provision for all known liabilities as adequate and not in excess of the amount reasonably required.
In some cases debit or credit balances of parties in respect of Sundry debtors, sundry creditors are subject to confirmation.

Previous year's figures have been rearranged and regrouped in order to conformity with the current year.

41 BG Issued and Outstanding - :

During the period ended 31 March 2025 Company has given Financial/Performance Bank Guarantee to the tune of Rs 104.70 Lacs to its customers.

42 Other Statutory information

(a) The Company does not own any immovable property which is not held in the name of the Company as on balance sheet data.

"(b) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

(c) The Company do not have any transactions with companies struck off.

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

(e) The company has not entered into any scheme of arrangement during the current year and previous year.

(f) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(g) The Company has complied with the number of layers prescribed under the Companies Act 2013.

(h) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies),including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(i) 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"

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

(i) The Company have 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:

- (i) 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"
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"
- (j) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
- (k) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.
- (l) Disclosures required for MSME payments (similar to Sec 22 of MSMED Act 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises) not been done.

For Sanjay V Gupta & Associates
Chartered Accountants
Firm Registration No.: 018701N

For and on behalf of Board of Directors
Sona Machinery Limited
(Formerly known as Sona Machinery Private Limited)

Sanjay Gupta
Partner
Membership No. : 500613

Vasu Naren
Chairman & MD
DIN No. 06915821

Shweta Baisla
CFO & WTD
DIN No. 09652443

Supriya
Company Secretary
M.no. A57314

Place : New Delhi
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025

Place : Ghaziabad
Date : 29 May 2025