



**42nd  
Annual Report  
2024-25**

**SOPHIA TRAEXPO LIMITED**

**CIN : L21000TG1983PLC113227**



## SOPHIA TRAEXPO LIMITED

### COMPANY INFORMATION

#### Board of Directors:

|                                   |   |
|-----------------------------------|---|
| Mr. YERRAPRAGADA MALLIKARJUNA RAO | Whole Time Director & CFO                             |
| Mr. SRINIVASARAO BOLLA            | Independent Director                                  |
| Mrs. LAKSHMI NEKKANTI SATYASRI    | Independent Director                                  |
| Mr. D V V PRASAD CHADALAWADA      | Independent Director                                  |
| Mr. NALLURI SAI CHARAN            | Additional Director (Appointed on September 04, 2025) |

#### Audit Committee:

|                                |          |
|--------------------------------|----------|
| Ms. LAKSHMI NEKKANTI SATYA SRI | Chairman |
| Mr. SRINIVASARAO BOLLA         | Member   |
| Mr. D V V PRASAD CHADALAWADA   | Member   |

#### Nomination and Remuneration Committee:

|                               |          |
|-------------------------------|----------|
| Mr. SRINIVASARAO BOLLA        | Chairman |
| Ms.LAKSHMI SATYA SRI NEKKANTI | Member   |
| Mr. D V V PRASAD CHADALAWADA  | Member   |

#### Stakeholders Relationship Committee:

|                                |          |
|--------------------------------|----------|
| Mr. D V V PRASAD CHADALAWADA   | Chairman |
| Ms. LAKSHMI SATYA SRI NEKKANTI | Member   |
| Mr. SRINIVASARAO BOLLA         | Member   |

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| <b>Registered Office:</b>                      | 6-3-1090/B/1 & 2, 4th floor,<br>Mayank Towers Raj Bhavan Road,<br>Somajiguda, Hyderabad, Telangana, 500082,<br>India.  |
| <b>Statutory Auditors</b>                      | NSVR & Associates LLP, CharteredAccountants,<br>(Firm Registration No. 008801S/S200060),<br>Hyderabad.   |
| <b>Registrars &amp; Share Transfer Agents:</b> | Venture Capital and Corporate Investments<br>Pvt.Ltd, Address: Aurum, 4th & 5th Floors,<br>Plot No.57, Jayabheri Enclave, Phase - II,<br>Gachibowli, Hyderabad-500032,Telangana,India<br>Phones: 040-23818475 / 476<br>Fax:040-23868024;<br>E-mail:investor.relations@vccipl.com |
| <b>Listed At</b>                               | BSE Limited  |
| <b>Internal Auditor</b>                        | Mr. Vemuganti Ramkishan Rao  |
| <b>Secretarial Auditor</b>                     | Ms.N.Vanitha - Practicing Company Secretary,<br>Hyderabad.   |

**NOTICE**

Notice is hereby given that the 42nd Annual General Meeting (AGM) of the Members of Sophia Traexpo Limited will be held on Monday, September 29, 2025 at 11.00 A.M. at the Registered Office of the Company at 6-3-1090/B/1 & 2, 4th floor, Mayank Towers, Raj Bhavan Road, Khairatabad, Somajiguda, Hyderabad-500 082, Telangana, India to transact the following businesses:

**ORDINARY BUSINESS:**

**Item 1:** To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon.

**Item 2:** To appoint a director in the place of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266), who retires by rotation and being eligible offers himself for re-appointment as Director of the Company.

**SPECIAL BUSINESS:**

**Item 3: Re-appointment of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) as Whole-time Director of the Company.**

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

**"RESOLVED THAT** pursuant to Section 196, 197, 198 and 203 read with Schedule V of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors, the approval of members of the Company be and is hereby accorded, for Re-appointment of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266), as Wholetime Director of the Company for a period of 3 years w.e.f. December 30, 2025 on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment including remuneration as it may deem fit and as may be acceptable to Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266), subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**"RESOLVED FURTHER THAT,** the Board of Directors be and is hereby authorized to vary and/ or modify the terms and conditions of the appointment including remuneration payable to the said Whole Time Director in such manner as may be mutually agreed between the Board or its Committee and to Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof."

**"RESOLVED FURTHER THAT,** in the event of loss or inadequacy of profits in any financial year, Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) shall be paid salary, perquisites and other allowances as the minimum remuneration, subject to ceiling as specified in Section 197 read Schedule V of the Companies Act, 2013 in accordance with the provisions of the Companies Act, 2013."

**RESOLVED FURTHER THAT** Board of Directors or the Company Secretary of the Company, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including filing of necessary forms or returns with concerned authorities for the purpose of affecting the aforesaid resolution."

### **Item 4: Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as a Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the other applicable provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), as per the Articles of Association of the Company and as recommended by Nomination and Remuneration Committee and who was appointed as Additional director on September 04, 2025 by the Board of Directors at its meeting held on September 04, 2025, approval of the Members be and is hereby accorded for appointment of Mr. Nalluri Sai Charan (DIN: 07486748), as a Director of the Company, in respect of whom the Company has received a notice in writing from a Member under section 160(1) of the Act proposing his candidature for the office of Director of the Company."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and are hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper, desirable or expedient to give effect to this resolution."

### **Item 5: Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as Executive 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** pursuant to the provisions of Sections 152, 160 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), and the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company, the approval of the members be and is hereby accorded for the appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as an Executive Director of the Company for a term of three (3) consecutive years commencing from September 04, 2025 without any remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution, including filing necessary forms or returns with the Registrar of Companies and other regulatory authorities."

### **Item 6: Appointment of Mr. Venkata Eswar Gopaluni (DIN: 09654293) as Non - Executive Independent Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), and Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall include any Committee of the Board), Mr. Venkata Eswar Gopaluni (DIN: 09654293), be and is hereby appointed

as Non-Executive Independent Director of the company for a period of five consecutive years commencing from September 30, 2025, in respect of whom the Company has received a notice in writing from a member of the Company under Section 160(1) of the Act proposing his candidature for the office of Non - Executive Independent Director and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution, including filing necessary forms or returns with the Registrar of Companies and other regulatory authorities."

**Item 7: Appointment of Mrs. Triveni Banda (DIN: 09528975) as Non-Executive Independent Director of the company.**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), and Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall include any Committee of the Board), Mrs. Triveni Banda (DIN: 09528975), be and is hereby appointed as Non-Executive Independent Director of the company for a period of five consecutive years commencing from September 30, 2025, in respect of whom the Company has received a notice in writing from a member of the Company under Section 160(1) of the Act proposing her candidature for the office of Non - Executive Independent Director and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act, and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution, including filing necessary forms or returns with the Registrar of Companies and other regulatory authorities."

**Item 8: Appointment of Mrs. N. Vanitha (COP No. 10573) as Secretarial Auditor of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 179, 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and upon recommendation of the Audit committee and approval of the Board, approval of the Members be and is hereby accorded for the appointment of N. Vanitha (COP No. 10573), Practicing Company Secretary holding Peer Review Certificate No. 1890/2022 issued by Institute of Company Secretaries of India as the Secretarial Auditor of the Company for a period of five (5) years i.e. from FY 2025-26 to FY 2029-30 to undertake Secretarial Audit for each of the said years at such remuneration as may be decided by the Board of directors from time to time and on such terms and conditions as detailed in the Explanatory Statement.

## **SOPHIA TRAEXPO LIMITED**

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

**By order of the Board  
For SOPHIA TRAEXPO LIMITED**

**Sd/-  
YERRAPRAGADA MALLIKARJUNARAO  
Chairman & Whole Time Director  
(DIN:00905266)**

Date : 04.09.2025  
Place: Hyderabad.

**Registered Office:**

6-3-1090/B/1 & 2, 4th floor, Mayank Towers,  
Raj Bhavan Road, Somajiguda, Khairatabad,  
Hyderabad- 500082, Telangana, India.

**CIN:** L21000TG1983PLC113227

**E-mail ID:** sophiatraexpolimited@gmail.com

**Website:** www.sophiatraexpo.com.

**NOTES:**

1. A member entitled to attend and vote at this Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and such proxy need not be a member of the Company.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the annual general meeting. A Proxy Form is annexed to this Report.

2. Members/proxies/authorized representatives are requested to bring their copies of Annual Report and produce duly filled in attendance slip at the entrance of the venue. Members holding shares in Demat form shall write their DP ID No. and Client ID and those holding in Physical form shall write their Folio No. in the attendance slip for attending the meeting. Copies of Annual Reports will not be provided at the meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
4. Route-map to the venue of the Meeting is provided at the end of the Annual Report.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Annual General Meeting.
8. The International Securities Identification Number (ISIN) allotted to the Company's equity shares is **INE268X01017**. Trading in the equity shares of the Company through Stock Exchanges was made compulsory in dematerialized form. Shareholders are advised to open demat accounts with any of the Depository Participants (DPs) of their choice registered with NSDL and CDSL and convert their physical holding into electronic holding.
9. Members holding shares in physical form are requested to notify/ send any change in their address and bank account details to the Company/ Registrar and Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited. Members are encouraged to utilize Electronic Clearing System (ECS) for receiving dividends.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or

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cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company i.e. <https://www.sophiatraexpo.co>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form.

11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts, so as to enable the Company to dispatch dividend warrants to their correct address.
12. Non-Resident Indian Members are requested to inform **Venture Capital & Corporate Investments Private Limited immediately** of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.
13. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
14. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat format, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to venture Capital & Corporate Investments Private Limited.
15. To support the 'Green Initiative, the Members who have not registered their e-mail addresses are requested to register the same with Venture Capital & Corporate Investments Private Limited/Depository Participant to enable the Company to send communications electronically.
16. The Notice of the AGM along with the Annual Report 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
17. Members may also note that the Notice of the 42nd AGM and the Annual Report 2024-25 will be available on the Company's website, **[www.sophiatraexpo.com](http://www.sophiatraexpo.com)**. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information as regards accounts are requested to write to the Company to, **[sophiatraexpolimited@gmail.com](mailto:sophiatraexpolimited@gmail.com)**, at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
18. Pursuant to the requirement under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the directors proposed to be re-appointed or appointed is given in the notice. The Directors have furnished the requisite consent/declaration for their appointment /re-appointment.
19. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business is attached herewith.

### **20. Instruction about Voting:**

The items of business as set out in the Notice may be transacted through electronic voting system. Therefore, the Company is providing facility for voting by electronic means. Pursuant to Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in force as on date and Regulation 44 of SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility, as an alternate, to its members in respect of the business to be transacted at the AGM.

The Members are requested to opt for one mode of voting, i.e., either through remote e-voting or voting at the AGM through ballot paper. If a Member cast votes by both modes, then voting done through a valid e-Voting shall prevail and physical ballot form voting of that Member shall be treated as invalid. Please refer the following detailed instructions for both modes voting.

● **Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing Members a facility to exercise their right to vote at the Physical Ballot by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, September 22, 2025 ("cutoff date") are entitled to vote on the resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for required assistance in connection with generation of the User ID / Password in order to exercise their right to vote by electronic means. The remote e-voting period will commence at 9.00 A.M. on Friday, September 26, 2025 and will end at 5.00 P.M. on Sunday, September 28, 2025. The members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Mrs. N. Vanitha, Practicing Company Secretary (M. No. 26859 and C.P No. 10573) to act as the Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The cut-off date has been fixed as Monday, September 22, 2025. The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereunder:

The results shall be declared on or after the 42nd Annual General Meeting of the company and shall be deemed to be passed on the date of 42nd Annual General Meeting. The results along with the Scrutinizer's Report shall be placed on the website of the company i.e. <https://www.sophiatraexpo.com> within 2 Working days of passing of the resolutions at the 42nd Annual General Meeting of the company and shall be communicated to BSE Limited.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:**

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

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

- (i) The voting period begins on 9.00 A.M. on Friday, September 26, 2025 and ends on 5.00 P.M. on Sunday, September 28, 2025. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 22, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

**Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |

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|---|--|
| <p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>                               | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on <b>company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> |
| <p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>   |

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

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

## SOPHIA TRAEXPO LIMITED

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

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

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

- (1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (2) Click on "Shareholders" module.
- (3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (4) Next enter the Image Verification as displayed and Click on Login.
- (5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (6) If you are a first-time user follow the steps given below:

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

- (vi) After entering **these** details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password **Creation**' menu wherein they are required to mandatorily enter their login password in the new password

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

- (viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant SOPHIA TRAEXPO LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [sophiatraexpolimited@gmail.com](mailto:sophiatraexpolimited@gmail.com) (designated email address by company),

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if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

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

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 099 11.

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

**By the Order of Board of Directors  
For SOPHIA TRAEXPO LIMITED**

Date: 04.09.2025  
Place: Hyderabad

**Sd/-  
YERRAPRAGADA MALLIKARJUNARAO  
Chairman & Whole Time Director  
(DIN:00905266)**

**EXPLANATORY STATEMENT**

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

**Item No. 3**

Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) was appointed as the Director and subsequently elevated as the Whole-time Director for a period of three Years, with effect from December 29, 2022 in the 39th AGM of the company his period of three years will end on December 29, 2025.

As per section 196(2) of Companies Act, 2013 No company shall appoint or re-appoint any person as its managing director, whole-time director or manager for a term exceeding five years at a time, Provided that no re-appointment shall be made earlier than one year before the expiry of his term, accordingly based on the recommendation of Nomination and Remuneration Committee, the Board of Directors approved the re- appointment of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) as Whole-time Director in their board meeting held on September 04, 2025, subject to approval of the members in the AGM for further period of 3 years with effect from December 30, 2025.

Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) has wide experience in the field of Finance, Accounts, Management & Administration, that would definitely help the Company to take itself to the next level of growth. The Nomination and Remuneration Committee and the Board are of the opinion that the association of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266), would help the Company strengthen its Business Operations. The Board also believes that he possesses appropriate skills, expertise and competencies in the context of the Company's businesses.

Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) has conveyed his consent to act as Whole Time Director and the Company has also received other necessary disclosures from him. Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) is not debarred from being appointed as Whole Time Director of the Company pursuant to any order of SEBI or any other authority. Further, pursuant to the provisions of Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of Whole Time Director as a Whole Time Director.

As per the provisions of Sections 196 and 197 of the Act and the Rules thereunder, the Appointment of Whole Time Director and the terms and condition of such appointment and remuneration payable shall be subject to approval by the members at their General meeting. Further, as per Regulation 17(1C) of Listing Regulations, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Pursuant to the provisions of Section 197 read with rules made thereunder and Section II of Part II of Schedule V to the Act, the remuneration payable to Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) has been approved for a period of 3 years by the Board of Directors based on the recommendation of the NRC and subject to the approval of the Members of the Company. The details of the proposed remuneration are set out below:

- 1) **Term of appointment:** 3 years w.e.f. December 30, 2025.
- 2) **Salary, perquisites and allowances:**

Salary, perquisites and allowances of Rs. 2,40,000/- (Rupees Two Lakhs forty Thousand Only) per Annum for a period of 3 years w.e.f. December 30, 2025. Salary, perquisites and allowances may be revised periodically based on the recommendation of the Board of Directors or subject to the provisions of the Companies Act, 2013.

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### **Perquisites and allowances shall include -**

- a. House Rent Allowance: As per Company's Policy.
- b. Travelling Allowance: As per Company's Policy.
- c. Other Allowance: As per Company's Policy.
- d. Leave Travel Concession: will be allowed in accordance with the rules specified by the Company.
- e. Medical Expenses: will be allowed in accordance with the rules specified by the Company.
- f. Gratuity, PF Contribution, Personal Accident Insurance and Medical insurance policy: As per the Company's policy.
- g. Helper Allowance: As per Company's Policy.
- h. Driver wages: As per Company's Policy.

### **3) Sitting Fees: NA.**

### **4) Perquisites as per the Section IV of the Schedule V of the Act as provided below:**

- A. contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- B. gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- C. encashment of leave at the end of the tenure.

**Obligations and Duties:** Mr. Yerrapragada Mallikarjuna shall have effective day-to-day management and control of the Company's business and affairs, subject always to the direction, supervision and control of the Board of Directors of the Company. Without prejudice to the generality of the foregoing, Mr. Yerrapragada Mallikarjuna shall undertake and perform such other duties pertaining to the business of the Company as may be decided by the Board of Directors of the Company from time to time.

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### STATEMENT PURSUANT TO SECTION II OF PART 2 OF SCHEDULE V OF THE COMPANIES ACT, 2013:

| <b>I. GENERAL INFORMATION:</b>              |  |  |                               |                               |                               |
|---|--|--|-------------------------------|-------------------------------|-------------------------------|
|   | Nature of Industry   | Paper and Paper Products.  |                               |                               |                               |
|   | Date or Expected Date of Commencement of Commercial Production.  | The Company has been in operation since 1983.  |                               |                               |                               |
|   | In case of New Companies, the expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Not Applicable   |                               |                               |                               |
|   | Financial performance based on given indicators  | <b>Particulars</b>   | <b>2024-25<br/>(In Lakhs)</b> | <b>2023-24<br/>(In Lakhs)</b> | <b>2022-23<br/>(In Lakhs)</b> |
|   |  | Total Revenue  | -                             | -                             | -                             |
|   |  | Profit before  |                               |                               |                               |
|   |  | Tax  | (19.82)                       | (11.71)                       | (11.09)                       |
|   |  | Tax Expenses   | -                             | -                             | -                             |
|   |  | Profit After   |                               |                               |                               |
|   |  | Tax  | (19.82)                       | (11.71)                       | (11.09)                       |
|   |  | EPS  | (0.39)                        | (0.23)                        | (0.22)                        |
|   | Foreign Investments or Collaborators, if any.  | At present, the Company does not have any foreign investments or collaborations.   |                               |                               |                               |
| <b>II. INFORMATION ABOUT THE APPOINTEE:</b> |  |  |                               |                               |                               |
|   | Background Details:  | He holds a Bachelor's degree in Commerce and has more than 30 Years of experience in finance, management, operations and secretarial works.  |                               |                               |                               |
|   | Past Remuneration:   | Rs. 2,40,000 per Annum   |                               |                               |                               |
|   | Recognition or awards:   | Not Available  |                               |                               |                               |
|   | Job Profile and his suitability:   | In the capacity of Whole-time Director of the Company, Mr. Yerrapragada Mallikarjuna Rao shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to her by the Board from time to time. |                               |                               |                               |
|   | Remuneration Proposed:   | Salary of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand Only) per Annum.  |                               |                               |                               |
|   | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:                                      | Taking into consideration the size of the Company, the profile of the appointee, the remuneration proposed is commensurate with the job profile i.e his expertise and knowledge.   |                               |                               |                               |

## SOPHIA TRAEXPO LIMITED

|                                |  |  |
|--------------------------------|--|--|
|                                | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | No pecuniary relationship directly or indirectly with the company or with the managerial personnel of the Company.   |
| <b>III. OTHER INFORMATION:</b> |  |  |
|                                | Reasons of Loss or Inadequate Profits:   | Due to high competition in the market and insufficient funds, the Company has no revenues from the past few years and as a result of which the Company has not earned profits. |
|                                | Steps taken or proposed to be taken for improvement  | (i) Development of new markets.<br>(ii) Continuous cost reduction.   |
|                                | Expected increase in productivity and profits in measurable terms:   | With the aforesaid measures taken by the Company, the profitability of the Company is expected to increase in coming years.  |

Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act, any such appointment needs to be approved by the members in their General Meeting.

In this regard, it is proposed to seek members' approval for his appointment as the Whole-Time Director of the Company, in terms of the applicable provisions of the Act.

A copy of draft letter of appointment of Mr. Yerrapragada Mallikarjuna as the Whole-Time Director of the Company setting out the terms and conditions is available for inspection by members electronically and also at the Registered Office of the Company during the working hours on any working day till the conclusion of the ensuing AGM.

Hence, the Ordinary resolution laid at Item No. 3 in the Notice attached hereto, is recommended by the Board for your consideration and approval.

Except Mr. Yerrapragada Mallikarjuna (DIN:00905266), being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No.3

### **Item No. 4 & 5:**

In accordance with Section 160(1) of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mr. Nalluri Sai Charan (DIN: 07486748) for appointment as Executive Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on September 04, 2025, has appointed Mr. Nalluri Sai Charan as an Additional Director in the category of Executive Director for a term of three (3) consecutive years, effective from September 04, 2025.

Pursuant to the applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014 and SEBI (LODR) Regulations, 2015 or re-enactment thereof for the time being in force, the appointment of Mr. Nalluri Sai Charan (DIN: 07486748) requires approval of the Members by way of ordinary resolution.

The proposed appointee, in the opinion of the Board, will add significant value to the Board while offering valuable insights on a broad range of issues in the field of financial services and resource mobilization that are relevant to the company.

Mr. Nalluri Sai Charan (DIN: 07486748) has provided his consent to act as Director and submitted all necessary disclosures as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the Act and is not debarred from holding office by SEBI or any other regulatory authority

The Profiles of the aforesaid candidates detailing the academic qualifications, skills and expertise are provided in the Annexure to this Notice and is also available for inspection of the members.

Hence, the Ordinary resolution laid at Item No. 4 & 5 in the Notice attached hereto, is recommended by the Board for the consideration and approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at Item No.4 & 5.

**Item No. 6:**

In accordance with Section 160(1) of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mr. Venkata Eswar Gopaluni (DIN: 09654293) for appointment as Non - Executive Independent Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed the appointment of Mr. Venkata Eswar Gopaluni (DIN: 09654293) as Non - Executive Independent Director for a term of five (5) consecutive years, effective from September 30, 2025 at the 42nd Annual General Meeting of the Company.

The Company has received a declaration from Mr. Venkata Eswar Gopaluni (DIN: 09654293) confirming that he meets the criteria of independence under the section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Venkata Eswar Gopaluni (DIN: 09654293) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as a Non-Executive Independent Director of the Company, and he is independent of the management. Considering knowledge and experience, the Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as a Non-Executive Independent Director for a period of five years.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) and brief profile is given in the annexure to this Notice.

Hence, the Special resolution laid at Item No. 6 in the Notice attached hereto, is recommended by the Board for your consideration and approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No.6.

**Item No. 7:**

In accordance with Section 160(1) of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mrs. Triveni Banda (DIN: 09528975) for appointment as Non - Executive Independent Director of the Company.

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Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed the appointment of Mrs. Triveni Banda (DIN: 09528975) as Non - Executive Independent Director for a term of five (5) consecutive years, effective from September 30, 2025 at the 42nd Annual General Meeting of the Company.

The Company has received a declaration from Mrs. Triveni Banda (DIN: 09528975) confirming that she meets the criteria of independence under the section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Triveni Banda (DIN: 09528975) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as a Non-Executive Independent Director of the Company, and she is independent of the management. Considering knowledge and experience, the Board of Directors are of the opinion that it would be in the interest of the Company to appoint her as a Non-Executive Independent Director for a period of five years.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) and brief profile is given in the annexure to this Notice.

Hence, the Special resolution laid at Item No. 7 in the Notice attached hereto, is recommended by the Board for your consideration and approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No.7.

### **Item No. 8:**

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act'), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report prepared under Section 134(3) of the Act.

Furthermore, pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), every listed company is required to appoint peer reviewed secretarial auditor (if individual then for not more than one term of five consecutive years and if a firm then for not more than two terms of five consecutive years), with the approval of the shareholders in the annual general meeting and annex the Secretarial Audit Report to its annual report, issued by a Practicing Company Secretary.

Accordingly, the Board of Director at their meeting held on September 04, 2025 based on the recommendation of the Audit Committee, have approved the appointment of Mrs. N. Vanitha, Practicing Company Secretary (COP No. 10573), holding Peer Review Certificate No. 1890/2022 issued by Institute of Company Secretaries of India as the Secretarial Auditor of the Company for a period of five (05) consecutive years commencing from FY 2025-26 to FY 2029-30, on a mutually agreed remuneration. The appointment is subject to shareholders' approval at the Annual General Meeting.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

| Particulars                                 | Details  |
|---|--|
| Proposed Secretarial Auditor                | Mrs. N. Vanitha, Practicing Company Secretary.   |
| Basis of Recommendation                     | <p>The Board and the Audit Committee, after evaluating all proposals and considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., have recommended Mrs. N. Vanitha, Practicing Company Secretary holding (P.R No. 1890/2022 and COP No. 10573), to be appointed as the Secretarial Auditor of the Company.</p> <p>The Company has received written consent from Mrs. N. Vanitha, Practicing Company Secretary, and a certificate stating that she satisfies the qualification criteria provided under SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 ("SEBI Circular") and that the appointment, if made, shall be in accordance with the applicable provisions of the Act, Rules framed thereunder, SEBI Listing Regulations, SEBI Circular and other applicable circulars, if any, in this regard.</p> |
| Credentials of Proposed Secretarial Auditor | Mrs. N. Vanitha, Practicing Company Secretary, has experience for more than 2 decades with specialization across secretarial audits, corporate laws, securities laws, including corporate governance, capital markets etc. Mrs. N. Vanitha, Practicing Company Secretary has a peer review certificate (PR No. 1890/2022) in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines issued by the Institute of Company Secretaries of India (ICSI).  |
| Term of Appointment                         | Mrs. N. Vanitha, Practicing Company Secretary is proposed to be appointed for a tenure of five (5) consecutive years, commencing from FY 2025-26 to FY 2029-30.  |
| Proposed Fees                               | <p>The proposed fees payable to N. Vanitha is Rs. 1,00,000 per annum. The said fees shall exclude GST, certification fees, applicable taxes, reimbursements and other outlays.</p> <p>The authority to decide the remuneration for the balance period of the tenure has been delegated to the Board of Directors which shall be decided mutually by them and the secretarial auditor.</p>  |

Mrs. N. Vanitha, Practicing Company Secretary (COP No. 10573), has confirmed that she is not disqualified from being appointed as Secretarial Auditor and that there is no conflict of interest.

The Board recommends the ordinary resolution set forth in Item no. 8 for the approval of members.

None of the directors, key managerial personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution.

**Annexure to the Notice of the AGM**

**Details of Director seeking re-appointment at the 42<sup>nd</sup> Annual General Meeting**

[Pursuant to Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2')]

**Profile of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) is given below:**

|          |  |  |
|----------|--|--|
| <b>A</b> | <b>Name</b>  | Mr. Yerrapragada Mallikarjuna Rao  |
|          | DIN  | 00905266   |
|          | Date of Birth  | August 10, 1965  |
|          | Date of first appointment  | December 24, 2016  |
| <b>B</b> | <b>Brief Resume</b>  |  |
|          | (I) Age  | 60 years   |
|          | (ii) Educational Qualification   | Graduate (Degree in Commerce)  |
|          | (iii) Experience in functional area  | More than 30 years   |
|          | Date of appointment on the Board of the Company  | December 24, 2016  |
| <b>C</b> | Nature of his expertise in specific functional areas   | He has an experience over 30 years in the Finance and Secretarial departments.   |
| <b>D</b> | Terms and Conditions of appointment/re-appointment   | He is due for retirement by rotation at the ensuing Annual General Meeting. Hence, he is being re-appointed in compliance with the applicable provisions of the Companies Act, 2013. Further, Reappointed as the Whole-time Director of the Company w.e.f December 30, 2025 for term of 3 years by the Board, subject to the approval of members in the ensuing AGM. |
| <b>E</b> | Relationship between Directors interse [as per section 2(77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014] | He is not related to any other Director and/or Key Managerial Personnel of the Company.  |
| <b>F</b> | Directorships held in other public companies (Excluding Section 8, private and foreign companies) (as on 31.03.2025)   | GVR Infra Projects Limited<br>JBEL Industries Limited  |
| <b>G</b> | Listed entities in which the Director has resigned from directorship in the past three years   | Bhudevi Infra Projects Limited<br>Source Industries (India) Limited  |
| <b>H</b> | Name(s) of the companies in which Chairmanship / Membership of the committee is held   | <b>i. GVR Infra Projects Limited</b><br>Member of Audit Committee<br>Member of Nomination and Remuneration Committee.  |

## SOPHIA TRAEXPO LIMITED

|   |  |  |
|---|--|--|
| I | shareholding in the Company as on 31.03.2025   | NIL  |
| J | Last Remuneration drawn  | Rs. 2,40,000 per annum   |
| K | No. of Board Meeting attended during the year  | 5 out of 5   |
| L | Information as required pursuant to BSE circular ref no. LIST/ COMP/14/ 2018-19 and the National Stock Exchange of India Limited with ref no.NSE/CML/2018/24, dated June 20, 2018. | Mr. Yerrapragada Mallikarjuna Rao is not debarred from holding the office of director pursuant to any SEBI order or any other authority. |

**Details of Director seeking re-appointment at the 42<sup>nd</sup> Annual General Meeting**

[Pursuant to Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2')]

**Profile of Mr. Nalluri Sai Charan (DIN: 07486748) is given below:**

|          |  |  |
|----------|--|--|
| <b>A</b> | <b>Name</b>  | Nalluri Sai Charan   |
|          | DIN  | 07486748   |
|          | Date of Birth  | July 24, 1993  |
|          | Date of first appointment  | September 04, 2025   |
| <b>B</b> | <b>Brief Resume</b>  |  |
|          | (I) Age  | 32 years   |
|          | (ii) Educational Qualification   | B. Tech  |
|          | (iii) Experience in functional area  | 7 years  |
|          | Date of appointment on the Board of the Company  | September 04, 2025   |
| <b>C</b> | Nature of his expertise in specific functional areas   | He has an experience over 7 years  |
| <b>D</b> | Terms and Conditions of appointment/re-appointment   | Appointing as Executive director of the company for a period of 3 years, whose office shall be liable for retirement of directors by rotation. |
| <b>E</b> | Relationship between Directors interse [as per section 2(77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014] | He is not related to any other Director and/or Key Managerial Personnel of the Company.  |
| <b>F</b> | Directorships held in other public companies (Excluding Section 8, private and foreign companies) (as on 31.03.2025)   | NIL  |
| <b>G</b> | Listed entities in which the Director has resigned from directorship in the past three years   | NIL  |
| <b>H</b> | Name(s) of the companies in which Chairmanship / Membership of the committee is held   | NIL  |
| <b>I</b> | shareholding in the Company as on 31.03.2025   | He holds 7,50,000 Equity shares  |
| <b>J</b> | Last Remuneration drawn  | NA   |
| <b>K</b> | No. of Board Meeting attended during the year  | NA   |

## SOPHIA TRAEXPO LIMITED

|   |   |   |
|---|---|---|
| L | Information as required pursuant to BSE circular ref no. LIST/ COMP/14/ 2018-19 and the National Stock Exchange of India Limited with ref no. NSE/CML/2018/24, dated June 20, 2018. | Mr. Nalluri Sai Charan is not debarred from holding the office of director pursuant to any SEBI order or any other authority. |
|---|---|---|

**Details of Director seeking re-appointment at the 42<sup>nd</sup> Annual General Meeting**

[Pursuant to Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2')]

**Profile of Mr. Venkata Eswar Gopaluni (DIN: 09654293) given below:**

|          |   |   |
|----------|---|---|
| <b>A</b> | <b>Name of Director</b>   | Venkata Eswar Gopaluni  |
|          | DIN   | 09654293  |
|          | Date of Birth   | October 06, 1961  |
|          | Date of first appointment   | September 30, 2025 subject to approval of the members.  |
| <b>B</b> | <b>Brief Resume</b>   |   |
|          | Age   | 64  |
|          | Educational Qualification   | 10th (Secondary School Certificate)   |
|          | Date of appointment on the Board of the Company   | Not Applicable  |
| <b>C</b> | <b>Nature of his expertise in Specific Functional areas and Experience</b>  | He has an experience of over 30 years in Finance and Accounting.  |
| <b>D</b> | <b>Terms and conditions of appointment</b>  | Proposed to be appointed as Non-Executive Independent director of the company for a period of 5 years, whose office shall not be liable by retirement of directors by rotation. |
| <b>E</b> | <b>Directorships held in other public companies (Excluding Section 8, private and foreign companies) (as on 31.03.2025)</b> | NIL   |
| <b>F</b> | <b>Name(s) of the companies in which Chairmanship / Membership of the committee is held</b>                                 | NIL   |
| <b>G</b> | <b>Last Remuneration drawn</b>  | NA  |
| <b>H</b> | <b>Shareholding in the Company as on 31.03.2025</b>   | NIL   |
| <b>I</b> | <b>Relationship between Directors inter-se/ Manager and KMPs</b>  | He is not related to any other Director and/or Key Managerial Personnel of the Company.   |
| <b>J</b> | <b>No. of Meetings of the Board attended during the year</b>  | NA  |
| <b>K</b> | <b>Listed entities in which the Director has resigned from directorship in the past three years</b>                         | NIL   |

## SOPHIA TRAEXPO LIMITED

|   |   |  |
|---|---|--|
| L | Information as required pursuant to BSE circular ref no. LIST/ COMP/14/ 2018-19 and the National Stock Exchange of India Limited with ref no. NSE/CML/2018/24, dated June 20, 2018. | Mr. Venkata Eswar Gopaluni is not debarred for being appointed as Director pursuant to any SEBI order or any other authority.  |
| M | Skills and capabilities   | Mr. Venkata Eswar Gopaluni is an experienced Accounts Manager with more than 3 decades of experience. His skills and expertise include experience in Finance, Accounting, management and administration. |

**Details of Director seeking re-appointment at the 42<sup>nd</sup> Annual General Meeting**

[Pursuant to Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2')]

**Profile of Mrs. Triveni Banda (DIN: 09528975) given below:**

|          |  |   |
|----------|--|---|
| <b>A</b> | <b>Name of Director</b>  | Triveni Banda   |
|          | DIN  | 09528975  |
|          | Date of Birth  | June 10, 1989   |
|          | Date of first appointment  | September 30, 2025 subject to approval of the members.  |
| <b>B</b> | <b>Brief Resume</b>  |   |
|          | Age  | 36 years  |
|          | Educational Qualification  | She holds masters degree in Commerce from Osmania University, Hyderabad and also a law graduate. She is member of Institute of Company Secretaries of India (ICSI), New Delhi   |
|          | Date of appointment on the Board of the Company  | Not Applicable  |
| <b>C</b> | Nature of her expertise in Specific Functional areas and Experience  | She has more than 3 years of experience in corporate compliance, regulatory affairs, and capital markets. She has well versed knowledge and experience in Corporate compliances, secretarial matter including corporate governance, capital markets etc, liaisoning with various stakeholders and drafting and vetting of legal agreements. |
| <b>D</b> | Terms and conditions of appointment  | Proposed to be appointed as Non-Executive Independent director of the company for a period of 5 years, whose office shall not be liable by retirement of directors by rotation.   |
| <b>E</b> | Directorships held in other public companies (Excluding Section 8, private and foreign companies) (as on 31.03.2025) | Hemair Systems India Limited<br>KMV Projects Limited  |
| <b>F</b> | Name(s) of the companies in which Chairmanship / Membership of the committee is held                                 | <b>Hemair Systems India Limited</b><br>1. Member of Audit Committee<br>2. Chairman of CSR Committee<br><b>KMV Projects Limited</b><br>1. Member of Audit Committee<br>2. Member of Nomination and Remuneration Committee  |

**SOPHIA TRAEXPO LIMITED**

|   |   |   |
|---|---|---|
| G | Last Remuneration drawn   | NA  |
| H | Shareholding in the Company as on 31.03.2025  | NIL   |
| I | Relationship between Directors inter-se/ Manager and KMPs   | She is not related to any other Director and/or Key Managerial Personnel of the Company.                              |
| J | No. of Meetings of the Board attended during the year   | N.A.  |
| K | Listed entities in which the Director has resigned from directorship in the past three years  | NIL   |
| L | Information as required pursuant to BSE circular ref no. LIST/ COMP/14/ 2018-19 and the National Stock Exchange of India Limited with ref no. NSE/CML/2018/24, dated June 20, 2018. | Mrs. Triveni Banda is not debarred for being appointed as Director pursuant to any SEBI order or any other authority. |

## SOPHIA TRAEXPO LIMITED

### DIRECTOR'S REPORT

To

#### **The Members,**

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report of **Sophia Traexpo Limited** (the Company) together with the Audited accounts for the financial year ended March 31, 2025.

#### **FINANCIAL RESULTS:**

The performance of the Company for the financial year ended March 31, 2025 is summarised below:

(Amount in Rs. Lakhs)

| <b>PARTICULARS</b>         | <b>Financial Year<br/>2024-25</b> | <b>Financial Year<br/>2023-24</b> |
|----------------------------|-----------------------------------|-----------------------------------|
| Revenue from Operations    | -                                 | -                                 |
| Other Income               | -                                 | -                                 |
| <b>Total Revenue</b>       | -                                 | -                                 |
| <b>Total Expenses</b>      | <b>19.82</b>                      | <b>11.71</b>                      |
| Net Profit/Loss Before Tax | (19.82)                           | (11.71)                           |
| Provision for Taxation     | -                                 | -                                 |
| Net Profit/Loss After Tax  | (19.82)                           | (11.71)                           |
| Earning Per Equity share   |                                   |                                   |
| a. Basic                   | (0.39)                            | (0.23)                            |
| b. Diluted                 | (0.23)                            | (0.23)                            |

#### **FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:**

During the year under review, Company has not made any revenue and recorded a loss of Rs. 19.82 lakhs as against loss of Rs. 11.71 lakhs in the previous year due to operational and technical issues and the plant shutdown, Company could not register revenue in the current financial year.

#### **DEPOSITS:**

There were no outstanding deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with rules made thereunder as on March 31, 2025. Your Company did not accept any deposit during the period under review.

#### **TRANSFER OF AMOUNT TO RESERVES:**

The Board of Directors of the Company didn't recommend for transfer of any amount to the General Reserve for the Financial Year ended March 31, 2025.

#### **DIVIDEND:**

The Board of directors does not recommend any dividend for the year as at March 31, 2025.

#### **DIVIDEND DISTRIBUTION POLICY:**

In term of Regulation 43A of SEBI Listing Regulations, the Board of Directors of the Company have adopted a Dividend Distribution Policy which can be accessed on the Company's website at <https://sophiatraexpo.com/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf>.

**CHANGE IN NATURE OF BUSINESS, IF ANY:**

There has been no change in the nature of business of your Company during the Financial Year 2024-25.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as no dividend has been declared by the Company.

**LOANS FROM DIRECTORS:**

During the Financial Year, the Company has not received any loans from the Directors of the Company.

**SHARE CAPITAL:**

During the financial year 2024-25, there was no change in the share capital of the Company. As on March 31, 2025, the Authorized Share Capital of the Company is Rs.6,00,00,000/- divided into 60,00,000 equity shares of Rs.10 each. The Issued, Subscribed, and paid-up Share capital of the company is Rs.5,10,00,000/- divided into 51,00,000 equity shares of Rs. 10 each.

**LISTING OF EQUITY SHARES:**

The Equity Shares of the Company are listed on BSE Limited and are infrequently traded.

There is no change in share capital: -

- Buy Back of Securities - The Company has not bought back any of its securities.
- Sweat Equity Shares - The Company has not issued any Sweat Equity Shares.
- Bonus Shares - No Bonus shares were issued during the year.
- Preference Shares/Debentures-Company has not issued any Preference shares/Debentures.
- Employees Stock Option Plan- Company has not provided any Stock Option Scheme.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**Appointment/Re-appointment during the year.**

There was no Director(s) who Appointed/re-appointed/ceased, during the period under review.

**Retirement by Rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013, read with rules made thereunder and Articles of Association of your Company, Mr. Yerrapragada Mallikarjuna Rao (DIN:00905266) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

**STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS:**

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

## **SOPHIA TRAEXPO LIMITED**

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

Independent Directors of the company have met 1 time in the financial year 2024-25 including for: -

- a. To review the performance of non-independent Directors and the board of directors as a whole;
- b. To review the performance of chairperson of the company, taking into account the views of executive and non-executive directors;
- c. To assess the quality, quantity and timeliness of flow of information between the company management and the Board which is necessary for the Board of directors to effectively and reasonably perform their duties.

### **INDEPENDENT DIRECTORS MEETING:**

The Independent Directors of the Company have met on February 10, 2025 to review the performance of non-independent directors and the Chairperson of the Company, including overall assessment on the effectiveness of the Board in performing their duties and responsibilities. The Board comprises Members having expertise in Technical, Banking and Finance. The Directors evaluate their performance and contribution at every Board and Committee Meetings based on their knowledge, experience and expertise on relevant field vis-a-vis the business of the Company.

### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various programs. These include orientation programs upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis. Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including on Health and Safety, Sustainability, Performance updates of the Company, Industry scenario, Business Strategy, Internal Control and risks involved and Mitigation Plan. The details of the Familiarization programs for Independent Directors for FY 2024-25 is disclosed on the Company's website.

### **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and all other committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of your Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of your Company was evaluated, taking into account the views of the Executive Directors & Non-Executive Directors who also reviewed the performance of the Secretarial

Department. The Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, **meaningful and constructive contribution and inputs in meetings, etc.** The Directors expressed their satisfaction with the evaluation process.

**REGISTRARS TO AN ISSUE & SHARE TRANSFER AGENT (for shares held in both Physical and Demat mode):**

|  |   |
|--|---|
| <b>Name of Registrars &amp; Transfer Agent</b> | Venture Capital and Corporate Investments Private Limited   |
| Address  | "AURUM", D No.4-50/P-II/57/4F & 5F, 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase - II, Gachibowli, Serilingampally, Hyderabad - 500 032, Ranga Reddy Dist., Telangana. |
| Phone  | +91 040-23818475/476  |
| Website  | www.vccipl.com  |
| Email  | investor.relations@vccipl.com   |

**CODE OF CONDUCT:**

Board of Directors have adopted and oversee the administration of the Company's Code of Business Conduct and Ethics (the 'Code of Conduct'), which applies to all Directors, Officers and Employees of the Company. The Code of Conduct reflects the Company's commitment to doing business with integrity and in full compliance with the law and provides a general roadmap for all the Directors, Officers and Employees to follow as they perform their day-to-day responsibilities with the highest ethical standards.

**REMUNERATION POLICY:**

**a) Procedure for Nomination and Appointment of Directors:**

The Nomination and Remuneration Committee will recommend the remuneration in whatever form/fee to be paid to the Managing Director, Whole-time Director, other Directors, Key Managerial Personnel and Senior Management Personnel to the Board for their approval. The level and composition of remuneration/fee so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration/fee to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations and the same is enclosed as Annexure -V and the Remuneration Policy is posted on the website of your Company which may be accessed at <https://sophiatraexpo.com/wp-content/uploads/2023/02/Nomination-and-remuneration-policy.pdf>

## SOPHIA TRAEXPO LIMITED

### **A. DIRECTOR/ MANAGING DIRECTOR/ WHOLE-TIME DIRECTOR**

Besides the above Criteria, the Remuneration/ compensation/ commission/ fee/ incentives to be paid to Director/ Managing Director/ Whole-Time Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval of members by way of Special Resolution, where required, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the company.

### **B. NON-EXECUTIVE DIRECTORS INCLUDING INDEPENDENT DIRECTORS**

The Non-Executive Directors (including Independent Directors) may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

### **REMUNERATION OF DIRECTORS:**

#### **i. Details of Remuneration paid to the Directors for the financial year ended 31<sup>st</sup> March, 2025:**

(Amount in Rs.)

| Name of Director              | Salary   | Benefits | Commission | Bonuses | Stock Option & Pension | Sitting Fee | Total    |
|-------------------------------|----------|----------|------------|---------|------------------------|-------------|----------|
| Yerrapragada Mallikarjuna Rao | 2,40,000 | -        | -          | -       | -                      | -           | 2,40,000 |
| D V V Prasad Chadalawada      | -        | -        | -          | -       | -                      | -           | -        |
| Srinivasarao Bolla            | -        | -        | -          | -       | -                      | -           | -        |
| Lakshmi Satyasri Nekkanti     | -        | -        | -          | -       | -                      | -           | -        |

During the year under review, the Company has not paid sitting fees and had not reimbursed out of pocket expenses incurred for attending the meeting of the Board/Committees to the Non-Executive Directors including Independent Directors of the Company.

#### **ii. Pecuniary Transactions**

There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company that have a potential conflict with the interests of the Company.

### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

Code of Conduct for the Prevention of Insider Trading is in accordance with the requirements specified in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Board has adopted the same. Insider Trading Policy explains the guidelines and procedures to be followed and disclosures to be made while dealing with shares as well as the consequences of violation of norms. Insider Trading Policy is available on the website of the Company at <https://sophiatraexpo.com/wp-content/uploads/2023/02/policy-on-unpublished-price-sensitive-information.pdf>.

**KEY MANAGERIAL PERSONNEL:**

In terms of Section 203 of the Companies Act, 2013 the Key Managerial Personnel ('KMPs') of the Company during FY 2024-25 are:

1. Yerrapragada Mallikarjuna Rao is Whole-Time Director and Chief Financial Officer of the Company.
2. Medatati Raghavender Rao is Company Secretary and Compliance Officer of the Company.

**MEETINGS OF BOARD:**

During the year, five board meetings were held.

The dates on which the Board meetings were held are May 24, 2024, August 12, 2024, September 05, 2024, November 12, 2024, February 10, 2025

## SOPHIA TRAEXPO LIMITED

**The composition of the Board and the number of directorships and committee positions held by the Directors as on 31<sup>st</sup> March, 2025, are as under:**

| Director                      | Category                  | No. of Other Director ship(s) | Number of Membership (s)/Chairmanship(s)** of Board Committees in other Companies as on 31.03.2025  | No. of Board Meeting attended | Whether attended the last AGM (Yes/ No) |
|-------------------------------|---------------------------|-------------------------------|---|-------------------------------|---|
| Yerrapragada Mallikarjuna Rao | Whole Time Director & CFO | 2                             | <b>i. GVR Infra Projects Limited</b> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Nomination and Remuneration Committee.</li> </ul>  | 5                             | Yes                                     |
| D V V Prasad Chadalawada      | Independent Director      | 1                             | <b>i. Arun Power Projects Limited</b> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Stakeholders Relationship Committee.</li> </ul>   | 5                             | Yes                                     |
| Srinivasaro Bolla             | Independent Director      | 1                             | <b>i. Satyadeeptha Pharmaceuticals Limited</b> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> </ul>  | 5                             | Yes                                     |
| Lakshmi Satyasri Nekkanti     | Independent Director      | 3                             | <b>i. Source Industries (India) Limited.</b> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Stakeholders Relationship Committee.</li> </ul> <b>ii. Rich 'N' Rich Finance and Holding Limited.</b> <ul style="list-style-type: none"> <li>• Chairman of Audit Committee</li> <li>• Chairman of Stakeholders Relationship Committee</li> </ul> <b>iii. Sai Retail India Limited</b> <ul style="list-style-type: none"> <li>• Member of Audit Committee</li> <li>• Member of Stakeholders Relationship Committee</li> </ul> | 5                             | Yes                                     |

### Notes:

\* Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

\*\* Only Audit Committee and Stakeholders Relationship Committee have been considered in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations").

All Directors are in compliance with the limit on Directorships as prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are related to each other.

Independent Director means Director as mandated in Listing Regulations and Section 149(6) of the Companies Act, 2013. All the Independent Directors have given declaration of their independence at the beginning of the financial year.

None of the Directors on the Board:

- is a member of more than 10 Board level committees and Chairman of 5 such committees across all the Public Companies in which he or she is a director;
- serves as Director or as Independent Director (ID) in more than seven listed entities; and who are the Executive Directors serves as ID in more than three listed entities. All the Directors of the Company are appointed/ re-appointed by the Shareholders on the basis of recommendations of the Board and Nomination and Remuneration Committee.

### **COMMITTEES OF THE BOARD:**

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

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

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

### **AUDIT COMMITTEE:**

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors have constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Listing Regulations.

The Audit Committee comprises of Independent Directors and Non-Executive Directors. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

The Company Secretary of the Company acts as secretary to the Committee.

(i) Meetings During the Financial Year:

## SOPHIA TRAEXPO LIMITED

During the financial year 2024-25, the Audit Committee met four times viz., May 24, 2024, August 12, 2024, November 12, 2024 and February 10, 2025. The below table gives the composition and attendance record of the Audit Committee.

**The Audit Committee Composition, Number of meetings held/attended during the financial year is as follows:**

| Sr. No. | Name                      | Position | Number of meetings during the financial year |          |
|---------|---------------------------|----------|--|----------|
|         |                           |          | Held   | Attended |
| 1       | Lakshmi Nekkanti Satyasri | Chairman | 4  | 4        |
| 2       | Srinivasarao Bolla        | Member   | 4  | 4        |
| 3       | D V V Chadalawada Prasad  | Member   | 4  | 4        |

**The brief terms of reference of the Audit Committee are to:**

- i. overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. reviewing and examining with management the quarterly and annual financial statements and the auditors' report thereon before submission to the Board for approval;
- iii. reviewing the Management Discussion and Analysis of the financial condition and results of operations;
- iv. reviewing with management, performance of Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- v. formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
- vi. reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- vii. evaluating internal financial controls and risk management systems;
- viii. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- ix. recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- x. Ensure that adequate safeguards have been taken for legal compliance for the Company;
- xi. reviewing, approving or subsequently modifying any Related Party Transactions; in accordance with the Related Party Transaction Policy of the Company;
- xii. reviewing the functioning of the Whistle Blowing mechanism;
- xiii. any other matter referred to by the Board of Directors.

**NOMINATION & REMUNERATION COMMITTEE:**

The Board has constituted Nomination & Remuneration Committee consisting of three Non-Executive Independent Directors. The terms of reference of the Committee covers evaluation of compensation and

benefits for Executive Director(s), Non-Executive Director(s), Senior Management Employees, framing of policies and looking after the issues relating to major HR policies.

During the financial year 2024-25, the Committee met two times i.e., on September 05, 2025 and February 10, 2025.

The below table gives the composition and attendance record of the Nomination & Remuneration Committee and the Company Secretary of the Company acts as the secretary of the Committee.

| Sr. No. | Name                       | Position | Number of meetings during the financial year |          |
|---------|----------------------------|----------|--|----------|
|         |                            |          | Held   | Attended |
| 1       | Srinivasarao Bolla         | Chairman | 2  | 2        |
| 2       | Lakshmi Satya Sri Nekkanti | Member   | 2  | 2        |
| 3       | D V V Chadalawada Prasad   | Member   | 2  | 2        |

**The terms of reference of the Nomination & Remuneration Committee are to:**

- i. Formulating the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- ii. Recommending to the Board, appointment, remuneration and removal of directors and senior management.
- iii. Formulating the criteria for evaluation of independent directors and the Board and carrying out evaluation of every director's performance.
- iv. Analysing, monitoring and reviewing various human resource and compensation matters;
- v. Devising a policy on Board diversity.
- vi. To do such acts as specifically prescribed by Board and
- vii. Carry out such functions, and is empowered to act, in terms of Companies Act 2013, read with rules framed there under, Listing Agreement and rules and regulations framed by Securities Exchange Board of India, including any amendment or modification thereof.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board has constituted Stakeholders Relationship Committee consisting of non-Executive Independent Directors.

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances.

During the financial year 2024-25, the Committee met four times on May 24, 2024, September 05, 2024 and November 12, 2024 and February 10, 2025. The below table gives the composition and attendance record of the Stakeholders Relationship Committee. The Company Secretary of the Company act as the secretary of the Committee and also designated as Compliance Officer.

## SOPHIA TRAEXPO LIMITED

| Sr. No. | Name                       | Position | Number of meetings during the financial year |          |
|---------|----------------------------|----------|--|----------|
|         |                            |          | Held   | Attended |
| 1       | D V V Chadalawada Prasad   | Chairman | 4  | 4        |
| 2       | Lakshmi Satya Sri Nekkanti | Member   | 4  | 4        |
| 3       | Srinivasarao Bolla         | Member   | 4  | 4        |

### **The terms of reference of the Stakeholders Relationship Committee are to:**

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handle of stakeholders' queries and grievances. It primarily focuses on:

- i. Consider and resolve the grievances of shareholders of the Company with respect to transfer & transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- iv. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- v. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- vi. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- vii. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/ security(ies) certificate(s) of the Company;
- viii. Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
- ix. Provide guidance and make recommendations to improve investor service levels for the investors;
- x. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- xi. Carrying out any other functions contained in the Companies Act, 2013, Listing agreement as well as SEBI (Listing Obligation and disclosure requirements) Regulations, 2015, as amended from time to time; and
- xii. Any other matter referred to by the Board of Directors.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans, guarantees or investment made by the company under section 186 of the Companies Act 2013, during the financial year 2024-25.

**PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE:**

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

During F.Y. 2024-25, the Company had received 0 complaints on sexual harassment.

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year : Nil

**MATERNITY BENEFIT ACT:**

The Company is committed to ensuring a safe, inclusive, and supportive work environment for all employees. The Company has complied with the provisions of the Maternity Benefit Act, 1961, and extends all benefits and protections under the Act to eligible employees. Adequate internal policies and procedures are in place to uphold the rights and welfare of women employees in accordance with the applicable laws.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 and based on the representations received from the management, the directors hereby confirm that:

- a) In the preparation of the annual accounts for the financial year 2024-25, the applicable accounting standards have been followed and there are no material departures.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **VIGILANCE MECHANISM / WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report their concerns about any unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at

<https://sophiatraexpo.com/wp-content/uploads/2023/02/Vigil-Mechanism-Policy.pdf>

### **RISK MANAGEMENT:**

Risks are inherent to our business as our operating environment is complex, highly regulated, and dynamic. To attain our strategic growth objectives, protect the interests of all our stakeholders and meeting legal requirements we have an established process of identifying, analyzing, and responding appropriately to all business risks. We have a well-embedded Risk Management Framework to ensure that we are well-placed to manage any adverse effect posed by financial, operational, strategic or regulatory related risks. Our framework adopts appropriate risk mitigation measures for identified risks across functions. The process ensures that new risks, which might arise or the impact of existing risks which might have increased, are identified and a strategy is put in place for mitigating such risks. The major risks identified by the management are Raw Material Risk, Quality Risk, Technological Risk, Competition Risk, Cost Risk, Financial Risk, and Legal/Regulatory Risk along with economic and political risks.

### **AUDIT:**

#### **STATUTORY AUDITORS:**

In terms of section 139(1) of the Companies Act, 2013, M/s. NSVR & Associates LLP (Firm Regn. No. 008801S/S200060) were appointed as the Statutory Auditors of the Company at 39<sup>th</sup> AGM for a period of 5 years till the conclusion of 44<sup>th</sup> AGM by the members of the Company.

#### **AUDITOR'S REPORT:**

There are no qualifications, reservations or adverse remarks made by M/s. NSVR & Associates LLP (Firm Regn.No.008801S/ S200060), Statutory Auditors in their report for the Financial Year ended March 31, 2025. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section- 143 of the Companies Act, 2013, during the year under review.

#### **INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has appointed Mr. Vemuganti Ramkishan Rao, as the Internal Auditor of your Company. The Internal Auditor is submitting his Reports on quarterly basis pursuant to the provisions of section 138 and rule 13 of companies (Accounts) rules, 2014.

#### **ADEQUACY OF INTERNAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:**

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds, errors, accuracy and completeness of the accounting records and timely preparation of financial information. Company has well placed, proper and adequate internal financial control system,

commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the Organization. The internal financial control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. Internal Auditors independently evaluate the adequacy of internal controls and audit the transactions. Independence of the audit and compliance is ensured by timely supervision of the Audit Committee over Internal Audit findings. Significant audit observations and corrective actions as suggested are presented to the Audit Committee on regular basis.

**SECRETARIAL AUDITOR:**

During the year under review, the Company has complied with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations. The Secretarial Audit Report for the financial year ended March 31, 2025 issued by Mrs. N. Vanitha, Practicing Company Secretary (C.P. No.: 10573), Hyderabad is enclosed as Annexure - I to this Report and it confirms that your Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances, and it does not contain any reservation, qualification or adverse remarks.

The Board has appointed Mrs. N. Vanitha, Practicing Company Secretary (C.P. No.: 10573), Hyderabad to conduct secretarial audit pursuant to the recommendations of the Audit committee for a period of 5 years i. e. from FY 2025-26 to FY 2029-30 subject to approval of the shareholders at the ensuing Annual General Meeting.

**SECRETARIAL STANDARDS:**

Your Company has devised proper systems to ensure compliance with the provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

**MAINTENANCE OF COST RECORDS:**

The requirement of maintenance of cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company. Accordingly, the Company has not maintained such accounts and records for the period under review.

**COST AUDITORS:**

The appointment of Cost Auditors as specified under sub-section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

**REPORTING OF FRAUDS BY AUDITORS:**

During FY 2024-25 under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers or employees, the details of which would need to be mentioned in this Report.

**STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Risk Management is overseen by the Board of Directors of the Company on a continuous basis. The Board of Directors oversees Company's process and policies for determining risk tolerance and review

## **SOPHIA TRAEXPO LIMITED**

management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the provisions of section 135(1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is not applicable to the Company during the financial year 2024-25.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided in **Annexure - II** hereto which forms part of this Report.

### **ANNUAL RETURN:**

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e., Form MGT-7 is placed on the website of your Company which may be accessed at [www.sophiatraexpo.com](http://www.sophiatraexpo.com)

### **SUBSIDIARIES:**

The Company has no subsidiaries as on March 31, 2025.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on related party transactions and dealings in related party transactions, as approved by the Board is uploaded on the website which may be accessed at [https://sophiatraexpo.com/wp-content/uploads/2023/02/Policy-on-Related-Party\\_transactions.pdf](https://sophiatraexpo.com/wp-content/uploads/2023/02/Policy-on-Related-Party_transactions.pdf)

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as **Annexure-III** to this report.

### **CORPORATE GOVERNANCE:**

Company is having paid up equity share capital of Rs.5.10 Crores which is not exceeding Rs.10 crore and Net worth of Rs.417.74 lakhs which is not exceeding Rs.25 Crores, as on the last day of the previous financial year i.e. 2024-25. Hence the provisions of Regulations

17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **Annexure-IV**.

**LISTING FEE:**

Company's equity shares are presently listed and traded on the BSE Limited. The Company has paid annual listing fee of BSE Limited for the financial year 2024-25. The Company is regular in paying the listing fee to the BSE Limited.

**HUMAN RESOURCES:**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

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

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2024-25 of the Company and the date of this report.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

During the financial year under review, no significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and the future operations of the Company.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

No application was made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year ended on March 31, 2025.

**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 ALONG WITH THE REASONS THEREOF:**

During the year under review there are no such cases.

**OTHER DISCLOSURES:**

- 1 Your Company has not issued any shares with differential voting rights/sweat equity shares.
- 1 There was no revision in the Financial Statements.

## **SOPHIA TRAEXPO LIMITED**

- 1 There are no proceedings, either filed by Company or filed against Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the FY 2024-25.

### **GREEN INITIATIVE IN CORPORATE GOVERNANCE:**

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and your Company continues to send Annual Reports and other communications in electronic mode to the members who have registered their email addresses with your Company/RTA.

### **ACKNOWLEDGEMENTS:**

Your directors wish to express their gratitude to the central and state government, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Your directors commend all the employees of your company for their continued dedication, significant contributions, hard work and commitment.

**By order of the Board  
For SOPHIA TRAEXPO LIMITED**

**Sd/-  
YERRAPRAGADA MALLIKARJUNARAO  
Chairman & Whole Time Director  
(DIN:00905266)**

Date : 04.09.2025  
Place: Hyderabad.

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

For the Financial year ended 31<sup>st</sup> March, 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] & Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015].

To

The Members,

**SOPHIA TRAEXPO LIMITED**

6-3-1090/B/1 & 2, 4th floor, Mayank Towers Raj Bhavan Road,  
Somajiguda, Hyderabad  
Telangana - 500082, India.

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Sophia Traexpo Limited** (hereinafter referred to as "the company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2025 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. 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 **March 31, 2025** according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made there under;
  - iii. The Depositories Act, 1996 and Regulations and Bye Laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing (**Not applicable to the Company during the audit period**);
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
    - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

## SOPHIA TRAEXPO LIMITED

- e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the audit period);**
  - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**
  - 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, 2021 **(Not applicable to the Company during the audit period); and**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);**
2. Other laws applicable specifically to the Company: I have been informed that generally applicable laws such as fiscal laws, labour laws and trade related laws etc., alone are applicable to the Company.
  3. I have also examined compliance with the applicable clauses of Secretarial Standards with respect to Meeting of Board of Directors (SS-1) and General Meetings (SS-2), as amended from time to time, issued by the Institute of Company Secretaries of India.
  4. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that in case of filing of few forms/ returns with registrar of companies with delay by paying additional fee.

### I further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Director. There were no changes in the composition of the Board of Directors during the period under review.
- b. Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, other than those held at shorter notice 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.
- c. All the decisions at the Board Meetings and Committee Meetings and the resolution(s) proposed by way of circulation have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case maybe.

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

**Sd/-**  
**N.Vanitha**  
**Practicing Company Secretary**  
M.No.A26859  
C.P.No.10573  
UDIN : A026859G001169418

Date: 04-09-2025  
Place: Hyderabad

**Note:** 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,  
**SOPHIA TRAEXPO LIMITED**  
6-3-1090/B/1 & 2, 4th floor, Mayank Towers,  
Raj Bhavan Road, Somajiguda,  
Hyderabad, Telangana, 500082, India.

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

1. It is the responsibility of the management of the Company to maintain secretarial and other statutory records to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these records based on our audit.
2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
3. 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 random 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.
4. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. My examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. I have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
5. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
6. Wherever required, I have obtained Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. I believe that audit evidence and information provided by the Company's management is adequate and appropriate for me to provide a basis for my opinion.

**Disclaimer**

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

**Sd/-**  
**N.Vanitha**  
**Practicing Company Secretary**  
M.No.A26859  
C.P.No.10573  
UDIN: A026859G001169418

Date: 04-09-2025  
Place: Hyderabad

**Conservation of energy, technology absorption, foreign exchange earnings and outgo**  
(Particulars pursuant to the Companies (Accounts) Rules, 2014)

**A. Conservation of Energy:**

Energy Conservation measure taken – “NIL”

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods-”NIL”

**B. Technology Absorption:**

1. Efforts, in brief, made towards technology absorption, adoption and innovation: ”NIL”
2. Benefits derived as a result of the above efforts, Ex; product improvement, cost reduction, product development, import substitution etc. : “NIL”
3. Import of technology : “NIL”

**C. Research and Development:**

1. Specific areas in which R& D carried out by the Company :Nil
2. Benefits derived as a result of the above R&D :Nil
3. Future plan of action :Nil
4. Expenditure on R &D
  - a) Capital :Nil
  - b) Recurring :Nil
  - c) Total :Nil
  - d) Total Expenditure on R & D as a percentage of total turnover :Nil

**D. Foreign Exchange Earnings and outgo.**

Foreign Exchange earnings during the year is **Rs. 0 (ZERO)** & Outflow is **Rs.0 (ZERO)**.

On behalf of the Board of Directors  
**For SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**YERRAPRAGADA MALLIKARJUNARAO**  
**Chairman & Whole Time Director**  
**(DIN:00905266)**

Date: 04.09.2025  
Place: Hyderabad.

## MANAGEMENT DISCUSSION AND ANALYSIS

### A. INDUSTRY STRUCTURE & DEVELOPMENT

The global paper products market size was estimated at USD 362.41 billion in 2025, with long-term growth expected to hit USD 1,267.8 billion by 2033, at a CAGR of 1.8%. Key Drivers Include:

- ┆ Rising demand for eco-friendly packaging across e-commerce, FMCG, and food sectors
- ┆ Shift toward recycled pulp and biodegradable materials
- ┆ Government regulations promoting sustainable packaging solutions

This growth is primarily attributed to the rising demand for packaging paper by major companies in the retail, FMCG, pharmaceutical, and hospitality industries. Increasing technological developments for paper-based products have enabled the manufacturing of processed paper with higher strength and durability than plastic packaging materials.

It has been observed that packaging paper material is gaining acceptance in a wide range of industries, such as food and consumer products. Other factors affecting the market growth are rising awareness about environmental issues like biodegradability, global warming, and health problems created by plastic packaging materials. The Quick Service Restaurant (QSR) industry is also one of the major consumers of paper products.

Thus, the rapid expansion of the QSR market has added to the product demand. Shifting preference for off-premises consumption of food on account of busy schedules is expected to drive the product demand further. In addition, the availability of freshly cooked food in franchises and food trucks has also witnessed an upsurge and has added to the demand. For instance, the global food chain McDonald's provide all their orders in paper packages.

Recycled packaging paper has become a popular trend to reduce plastic waste. Cardboard, paper, and other materials can be recycled and used for different kinds of product packing and shipment. Leading companies are investing in paper products. For instance, PepsiCo, Inc. has committed to providing 100% recyclable packaging by 2025. Walmart has declared to provide recyclable packaging for all the private level brands.

#### Regional Insights

Asia-Pacific was the largest market for paper products in 2018 and accounted for 36.65% of the market share. Key factors behind this growth include growing industrialization across the region. The newsprint category is facing a little slowdown as consumers are shifting towards digital platforms. Asia Pacific is the fastest-growing regional market with a CAGR of 2.3% from 2019 to 2025.

Increasing awareness about the adverse effects of plastic products and growing disposable income, especially in developing countries like China and India, are expected to boost the market growth. Rapid industrialization is also projected to contribute to market development. China, in particular, is the largest market in the Asia Pacific due to the strong presence of key companies, such as Quanzhou Sinowise Machinery Co. Ltd. and Samson Paper Holdings Ltd. **(Source: [www.grandviewresearch.com](http://www.grandviewresearch.com))**

#### INDIAN PAPER INDUSTRY

India's paper industry is navigating a complex landscape marked by:

- ┆ Surging imports: Paper and paperboard imports rose 8% YoY in Q1 FY26, reaching 486,000 tonnes, with China and ASEAN countries contributing significantly.

## SOPHIA TRAEXPO LIMITED

- 1 Domestic production decline: Output fell 5.1% in FY24, with a further 1-2% drop expected in FY25
- 1 Import value: Annual imports crossed Rs.14,629 crore, doubling over four years

### Margin Pressures & Cost Challenges

- 1 Raw material inflation: Domestic hardwood pulp prices surged 20-25% due to pandemic-era plantation disruptions and competing demand from other wood-based industries
- 1 Sales price realization: Declined post-COVID boom, squeezing margins
- 1 EBITDA margins: Fell to decade lows in FY25, but expected to recover by ~200 basis points in FY26 with cost stabilization

### Policy Interventions

To protect domestic manufacturers, the government has:

- 1 Imposed a Minimum Import Price (MIP) of ₹67,220/MT on virgin multi-layer paper board until March 31, 2026
- 1 Initiated anti-dumping investigations on imports from Indonesia

## B. OPPORTUNITIES AND THREATS PAPER DIVISION

The Indian paper and paperboard industry offers significant opportunities driven by the increasing demand for sustainable and eco-friendly packaging solutions, rising e-commerce and FMCG consumption, and supportive government policies encouraging reduction of plastic usage. India's relatively low per-capita paper consumption also provides long-term headroom for growth, particularly in packaging and specialty paper segments.

On the other hand, the industry continues to face multiple threats, including the surge in low-priced imports, particularly from ASEAN and China under concessional duty regimes, which has intensified competition and eroded market share of domestic players. Elevated raw material and energy costs, along with volatility in pulp and wood prices, have pressured margins, while structural demand decline in writing & printing and newsprint segments due to digitization remains a persistent challenge. Further, the industry is constrained by limited availability of virgin fibre due to the absence of a clear policy on pulpwood plantations, making producers reliant on imported or recycled fibre. Rising environmental compliance requirements and the need for continuous investment in technology upgradation add to the operational burden. These factors collectively indicate that while growth opportunities remain strong in packaging and specialty paper, sustained competitiveness will depend on efficient operations, product mix optimization, and the ability to mitigate cost and import pressures. **(source: ICRA Limited)**

## C. RISKS AND CONCERNS

The Indian paper industry, from FY 2024-25 onwards, faces multiple headwinds that could impact growth and profitability. A sharp increase in paper and paperboard imports, which rose to a record 2.05 million tons in FY 2024-25 with China and ASEAN together contributing nearly half of the volume, has intensified price competition and eroded domestic players' market share. This influx of low-priced imports, combined with a decline of around 9% in net sales realisations during FY 23-24 and FY 2024-25, has significantly compressed margins despite volume growth of 6-8%. Input costs, particularly for wood and pulp, have remained elevated-wood pulp prices alone have increased by 20-25%-leading to an estimated 500-700 basis points contraction in operating margins in FY 2024-25. While the packaging paper segment remains resilient, structural demand headwinds persist in the writing & printing and newsprint segments due to digitization and shifting consumption patterns. If current trends in imports, pricing, and raw material costs persist, financial metrics such as debt coverage and interest serviceability could remain under pressure,

making operational efficiency, product mix optimization, and cost control critical for sustaining competitiveness. **(Source: CareEdge Ratings report)**

#### **D. OUTLOOK**

The outlook for the Indian paper and paperboard industry remains **moderately positive from FY 2024-25 onwards**, with the sector expected to witness a recovery in demand growth of around **6-9%**, largely driven by sustained expansion in the packaging paper segment supported by e-commerce, FMCG, and pharma. While structural headwinds continue in writing & printing and newsprint grades due to digitization and changing consumption patterns, the long-term demand prospects remain healthy given India's low per-capita paper consumption, increasing emphasis on education, and growing need for sustainable packaging solutions. However, the industry continues to face challenges in the form of elevated raw material and energy costs, rising imports-especially from ASEAN countries at concessional duties-and limited pricing power, which are likely to exert pressure on margins. **(Source: www.icra.in)**

Your Company with a strong focus on operational efficiency, product mix optimization, and adoption of sustainable and value-added paper grades which are expected to be better positioned to withstand these challenges and capitalize on the evolving market opportunities.

#### **E. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**

During the year under review, the operations of the Company were adversely impacted owing to the temporary shutdown of the manufacturing plant, which resulted in lower capacity utilization and absence of profitable performance across product lines. Consequently, the Company was not in a position to record meaningful segment-wise or product-wise contribution for the financial year. The overall performance across all business segments was subdued, primarily on account of the disruption in operations.

The Company continues to remain focused on restoring normal plant operations at the earliest. Going forward, the management aims to improve operational efficiency, optimize product mix, and strengthen market presence once the plant resumes full-scale production.

#### **F. PERFORMANCE REVIEW**

Discussion on Financial Performance with respect to Operational Performance:

##### **1. Total Income:**

During the year under review Sophia Traexpo Limited did not make any income due to plant shutdown.

##### **2. Share Capital:**

The paid-up share capital as on March 31, 2025 is 5,10,00,000/- divided into 51,00,000 fully paid-up equity shares of Rs.10/-each.

##### **3. Net Profit:**

The Company registered a loss of Rs. 19.82 lakhs during the year.

##### **4. Earnings PerShare (EPS):**

The Earning per Share for the Financial Year 2024-25 is -0.39

Your directors are putting continuous efforts to increase the performance of the Company and are hopeful that the performance in coming year will overcome from the present situation.

#### **G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has established robust internal control systems covering business processes, operational efficiency, and compliance with all applicable laws and regulations. Regular internal checks and audits ensure that responsibilities are effectively discharged. A comprehensive review of internal controls, accounting practices, and policies is conducted periodically. Your Company has implemented an adequate internal control and audit framework appropriate to its size and nature of operations.

## SOPHIA TRAEXPO LIMITED

### H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

Your Company recognizes the Human resource as a critical pillar of sustainable growth and long-term success. The Company has established robust people practices focused on attracting, developing, and retaining skilled talent across all levels of the organization. The Company is committed to fostering an inclusive and performance-oriented culture built continuous learning. Structured training programs, functional capability development, and leadership interventions are regularly conducted to enhance technical and managerial competencies. To strengthen employee engagement and retention, we prioritize transparent communication, employee recognition, and participative decision-making.

The Company will remain focused on nurturing talent, strengthening organizational capabilities, and building a culture that encourages innovation, accountability, and high performance. The management considers it's highly motivated and passion driven workforce as its partner in the growth of the company.

### I. SIGNIFICANT KEY FINANCIAL RATIOS:

| SI No | Particulars                      | FY 2024-25 | FY 2023-24 | Change | Reason for change  |
|-------|----------------------------------|------------|------------|--------|--|
| 1.    | Current Ratio                    | 68.61      | 70.24      | -2.33% | -  |
| 2.    | Debt Equity Ratio                | 0.06       | 0.06       | 4.74%  | -  |
| 3     | Inventory Turnover Ratio         | -          | -          | -      | -  |
| 4     | Debtors Turnover Ratio           | -          | -          | -      | -  |
| 5     | Interest Coverage Ratio          | -          | -          | -      | -  |
| 6     | Debtors Turnover                 | -          | -          | -      | -  |
| 7     | Net Profit Ratio %               | -          | -          | -      | -  |
| 8     | Operating Profit Margin          | -          | -          | -      | -  |
| 9     | Return on Capital employed       | -6.16%     | -3.64%     | 69.19% | Due to Providing the expected credit loss against the debtors Balances |
| 10    | Return on Net Worth              | -          | -          | -      | -  |
| 11.   | Return on Equity Ratio           | -4.63%     | -2.64%     | 75.47% | Due to increase of other expenses                                      |
| 12.   | Trade Receivables turnover Ratio | -          | -          | -      | -  |
| 13.   | Trade payables turnover Ratio    | -          | -          | -      | -  |
| 14.   | Net capital turnover Ratio       | -          | -          | -      | -  |
| 15.   | Return on Investment             | -          | -          | -      | -  |
| 16.   | Debt Service Coverage Ratio      | -          | -          | -      | -  |

### Disclosure of Accounting Treatment:

The Company follows the guidelines of Accounting Standards referred to in Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

**Cautionary Statement:**

*The statements in this management discussion and analysis describing the outlook may be "forward looking statement" within the meaning of applicable laws and regulations. Actual result might differ substantially or materially from those expected due to the developments that could affect the company's operations. The factors like significant change in political and economic environment, tax laws, litigation, technology, fluctuations in material cost etc. may deviate the outlook and result.*

For and on behalf of the Board  
**For SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**YERRAPRAGADA MALLIKARJUNARAO**  
Chairman & Whole Time Director  
(DIN:00905266)

Date: 04.09.2025  
Place: Hyderabad.

**PARTICULARS OF EMPLOYEES**

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- A. The ratio of remuneration of each Director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director Chief Financial Officer, Chief Executive Officer & Company Secretary, for the financial year ended March 31, 2025 is as below:

| S. No. | Name of Director/ KMP and Designation                               | The ratio of the remuneration of each director to the median remuneration of the employees for the financial year | The Percentage increase in remuneration of each director, CFO, CEO in the financial year |
|--------|---|---|--|
| 1      | Yerrapragada Mallikarjuna Rao,<br>Whole time Director & CFO         | 0.88  | NIL  |
| 2      | Raghavendra Rao Medatati,<br>Company Secretary & Compliance Officer | 1.11  | NIL  |

- B. In the financial year, there was an increase of NIL % in the median remuneration of employees.
- C. There were 2 employees on the rolls of Company as on March 31, 2025.
- D. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e., 2024-25 was NIL % whereas the decrease/increase in the managerial remuneration for the same financial year was NIL%.
- E. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**A) Employees in the terms of Remuneration:**

| S. No. | Employee name                 | Designation             | Educational qualification | Age | Experience | Date of Joining | Gross remuneration paid | Previous employment and designation, if any | No. Shares held, if any |
|--------|-------------------------------|-------------------------|---------------------------|-----|------------|-----------------|-------------------------|---|-------------------------|
| 1      | Yerrapragada Mallikarjuna Rao | WTD & CFO               | Graduation                | 60  | 30 years   | 25.12.2016      | 2,40,000 P.A            | NA  | -                       |
| 2      | Raghavendra Rao Medatati      | CS & Compliance Officer | Company Secretary         | 41  | 10 years   | 09.10.2020      | 3,00,000 P.A            | NA  | -                       |

**"By the Order of Board of Directors"  
For SOPHIA TRAEXPO LIMITED**

**Sd/-  
YERRAPRAGADA MALLIKARJUNARAO**  
Chairman & Whole Time Director  
(DIN:00905266)

Date: 04.09.2025  
Place: Hyderabad.

**Nomination and Remuneration Policy****1. Introduction**

Sophia Traexpo Limited, ("Company"), believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, Company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. Company aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

Company also recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the company and its goals.

**1. Scope:**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company and also for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**2. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 2.1 "Director" means a director appointed to the Board of a Company.
- 2.2 "Nomination and Remuneration Committee" means the committee constituted by Company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.
- 2.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.
- 2.4 "Key Managerial Personnel" means
  - (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the company secretary;
  - (iii) the whole-time director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013

### 3. Selection of Directors and determining Directors' independence

#### 3.1 Qualifications and criteria

The Nomination and Remuneration (NR) Committee and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.

3.1.1 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

General understanding of the Company's business dynamics, global business and social perspective;

Educational and professional background Standing in the profession; Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.2 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;

Shall not be disqualified under the Companies Act, 2013

Shall give his written consent to act as a Director;

Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI(LODR) Regulations,2015 and other relevant laws.

3.1.3 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

#### 3.2 Criteria of Independence

3.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

3.2.2 The criteria of independence, as laid down in Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015, is as below:

An "**Independent director**" means a non-executive director, other than a nominee director of the listed entity:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. who is or was not a promoter of the listed entity or its holding, subsidiary or associate company 75[or member of the promoter group of the listed entity];
- c. who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;

d. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the 76[three]immediately preceding financial years or during the current financial year

e. none of whose relatives

- (i) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
- (ii) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- (iv) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (i) to (iv) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.

f. who, neither himself/herself, nor whose relative(s)

- (i) holds or has held the position of key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company 79[or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

[Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.]

- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
  - 1. a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company;
  - 2. any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the listed entity; or
- (iv) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the listed entity.

g. who is not less than 21 years of age.

h. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

3.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

### **3.3 Other directorships / committee memberships**

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

3.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

3.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

### **4. Remuneration to Executive Directors and Key Managerial Personnel Non-Executive Directors and other employees**

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Executive Directors)
- (iv) Retinal benefits
- (v) Annual Performance Bonus

### **4.2 Remuneration to Non-Executive Directors**

4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

### **4.3 Remuneration to other employees**

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**CEO/CFO CERTIFICATION**

**I, Yerrapragada Mallikarjuna Rao, Whole Time Director & CFO, to the best of my knowledge and belief, certify that:**

- a. I have reviewed the financial statements including cash flow statements for the financial year ended March 31, 2025 and to the best of my knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee that, there are no such deficiencies in the design or operation of such internal controls.
- d. I have indicated to the auditors and the Audit Committee:
  1. there are no significant changes in internal control over financial reporting during the quarter and year ended January 01, 2024 to March 31, 2025;
  2. there are no significant changes in accounting policies during the quarter and year ended January 01, 2024 to March 31, 2025 and
  3. there are no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of the Board  
**For SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**YERRAPRAGADA MALLIKARJUNARAO**  
Chairman & Whole Time Director  
DIN:00905266

Date: 16.05.2025  
Place: Hyderabad.

## **SOPHIA TRAEXPO LIMITED**

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To,  
The Members  
**Sophia Traexpo Limited**

In compliance with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the code of Conduct for Board of Directors and Senior Management Personnel as adopted by the Board of Directors of the Company.

By the Order of Board of Directors  
For **Sophia Traexpo Limited**

Sd/-  
**Yerrapragada Mallikarjuna Rao**  
Chairman & Whole Time Director  
DIN: 00905266

Date: 16.05.2025  
Place: Hyderabad

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF SOPHIA TRAEXPO LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **SOPHIA TRAEXPO LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our professional judgement, we have determined that there is no key audit matter to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion there on

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, Profit/Loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts)

## SOPHIA TRAEXPO LIMITED

Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

- 1 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.
- 1 Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 1 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 1 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.

- i Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Companies Act 2013, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet , Statement of Profit and Loss including other comprehensive income, Statement of changes in equity and Cash flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting standard) Rules 2015, as amended.
  - e. On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

## SOPHIA TRAEXPO LIMITED

- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
- i). There are no pending litigations for or against the Company which would impact its financial position.
  - ii) The Company does not have any derivatives contracts. Further there are no long-term contracts for which provisions for any material foreseeable losses is required to be made.
  - iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.
  - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v) The Company has neither declared nor paid any dividend during the year and until the date of this report.
  - vi) Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has operated throughout the year for all relevant transactions recorded in the software and has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for records retention.

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRN No.008801S/S200060)

**Sd/-**  
**R Srinivasu**  
Partner

M.No: 224033  
UDIN: 25224033BMHXSQ3971

Date: 16.05.2025  
Place: Hyderabad

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SOPHIA TRAEXPO LIMITED of even date)**

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

- i. (a) In respect of the Company's Property, Plant and Equipment
    - (A) 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 maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - (B) According to the information and explanations given to us, the company does not have any intangible assets. Hence reporting of Clause i(a)(B) of the order is not applicable.
  - (b) The company has conducted physical verification of Property, Plant and Equipment and no discrepancies were noticed during the course of verification.
  - (c) The Company does not have the Immovable properties. Hence reporting of Clause i(c) of the order is not applicable.
  - (d) The company has not revalued its Property, Plant and Equipment during the year and hence this sub-clause 3(i)(d) of the order is not applicable.
  - (e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property transactions Act,1988 and rules made thereunder.
- ii. (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, During the year the company has not given any advances in the nature of loan, provided any guarantee or given any security to its subsidiaries, Joint ventures, other companies, firms, Limited Liability Partnerships or any other parties.
  - (b) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the order is not applicable to the company to that extent.
  - (c) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the order is not applicable to the company to that extent.
  - (d) In the absence of any loans or advances in the nature of loans outstanding as at the year end, the question of whether there are amounts overdue for more than ninety days as the balance sheet date and reasonable steps have been taken by the company for recovery of the principal and interest does not arise and accordingly this sub clause 3(iii)(d) is not applicable.

## SOPHIA TRAEXPO LIMITED

- (e) In the absence of any loans or advances in the nature of loans fallen due during the year and hence the question of whether the loan has been renewed or extended or fresh loans are granted to settle the overdue of existing loan given to the same parties does not arise and accordingly this sub clause 3(iii)(e) is not applicable
- (f) In the absence of any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the questions of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to promoters ,related parties as defined in clause 76 of section 2 of the companies Act, 2013 does not arise and accordingly, this sub clause 3(iii)(f) is not applicable.
- iv. Based on the information and explanations provided, and after examination of records, the company has not given any loans, made any investments, or provided any guarantees or securities that would be covered by Sections 185 and 186 of the Companies Act
- v. According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.
- vii. In respect of statutory dues:
  - (a) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Professional tax Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Professional tax, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
  - (b) There are no disputed dues Pending as on March 31,2025.
- viii. According to the information and explanation given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
  - (a) The Company has not defaulted in repayment of Loans or borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable
  - (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) In our opinion, and according to the information and explanation given to us, The Company has not taken any term loan during the year and there are no outstanding term loans at the closing of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
  - (d) On an overall examination of the financial statements, Company has not raised fund any funds during the Year. Hence, reporting under clause 3(ix)(d) of the Order is not applicable
  - (e) On an overall examination of the financial statements of the Company, the Company does not have any subsidiaries. Accordingly, the requirement to report on clause (ix)(e) of the order is not applicable to the company.

- (f) The Company does not have any subsidiary, associate, or Joint venture. Accordingly, the requirement to report on clause (ix)(f) of the order is not applicable to the company.
- x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(c) No whistle blower complaints received by the Company during the year (and up to the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs.19.82 lakhs during the financial year covered by our audit and Rs 11.71 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are Opinion that no material uncertainty exists as on the date of the audit report that company is 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;

## **SOPHIA TRAEXPO LIMITED**

- iv. According to the information and explanations given to us and based on our examination of the records of the Company, is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act.

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRN No.008801S/S200060)

**Sd/-**  
**R Srinivasu**  
Partner  
M.No:224033  
UDIN: 25224033BMHXSQ3971

Date: 16.05.2025  
Place: Hyderabad

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SOPHIA TRAEXPO LIMITED** of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Opinion:**

We have audited the internal financial controls over financial reporting of **SOPHIA TRAEXPO LIMITED** ("the Company") as of March 31,2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(10) of the Companies Act,2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## **SOPHIA TRAEXPO LIMITED**

### **Meaning of internal financial Controls over Financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that

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

### **Limitations of Internal Financial Controls Over Financial Reporting**

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

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRN No.008801S/S200060)

**Sd/-**  
**R Srinivasu**  
Partner

M.No:224033  
UDIN: 25224033BMHXSQ3971

Date: 16.05.2025  
Place: Hyderabad



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

Amount in Indian Rupees Lakh, except share data and where otherwise stated

| <b>PARTICULARS</b>  | <b>Note No.</b> | <b>For the Period Ended 31.03.2025</b> | <b>For the Period Ended 31.03.2024</b> |
|---|-----------------|--|--|
| <b>Income</b>   |                 |  |  |
| Revenue from operations   | 2.13            | -                                      | -                                      |
| Other income  | 2.14            | -                                      | -                                      |
| <b>Total Income</b>   |                 | -                                      | -                                      |
| <b>Expenses</b>   |                 |  |  |
| Cost of materials consumed  | 2.15            | -                                      | -                                      |
| Changes in inventories  |                 | -                                      | -                                      |
| Employee benefits expense   | 2.16            | 5.39                                   | 5.40                                   |
| Finance costs   |                 | -                                      | -                                      |
| Depreciation and amortization expense   | 2.17            | -                                      | -                                      |
| Other expenses  | 2.18            | 14.43                                  | 6.31                                   |
| <b>Total Expenses</b>   |                 | <b>19.82</b>                           | <b>11.71</b>                           |
| <b>Profit before tax</b>  |                 | <b>(19.82)</b>                         | <b>(11.71)</b>                         |
| <b>Tax expense</b>  |                 |  |  |
| (1) Current tax   |                 | -                                      | -                                      |
| (2) Deferred tax  |                 | -                                      | -                                      |
| <b>Net Profit/(Loss) for the Period</b>                                       |                 | <b>(19.82)</b>                         | <b>(11.71)</b>                         |
| <b>Other comprehensive income (OCI)</b>                                       |                 |  |  |
| (a) (i) Items that will not be reclassified to profit or loss                 |                 | -                                      | -                                      |
| (ii) Tax on items that will not be reclassified to profit or loss             |                 | -                                      | -                                      |
| (b) (i) Items that will be reclassified to profit or loss                     |                 | -                                      | -                                      |
| (ii) Income tax relating to items that will be reclassified to profit or loss |                 | -                                      | -                                      |
| Total Other Comprehensive income  |                 | -                                      | -                                      |
| <b>Total Comprehensive income</b>   |                 | <b>(19.82)</b>                         | <b>(11.71)</b>                         |
| <b>Earnings per equity share</b>  |                 |  |  |
| (Face value of Rs.10/- each)  |                 |  |  |
| (1) Basic   |                 | (0.39)                                 | (0.23)                                 |
| (2) Diluted   |                 | (0.39)                                 | (0.23)                                 |

Summary of Material accounting Policy Information 1  
The notes form an integral part of these financial statements 1 to 2.28

**For M/s. NSVR & Associates LLP.,**  
Chartered Accountants  
FRN No: 008801S/S200060

For and on behalf of the Board of Directors  
**M/s. SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**R Srinivasu**  
Partner  
M.No. 224033  
UDIN: 25224033BMHXSQ3971

**Sd/-**  
**Lakshmi Satyasri Nekkanti**  
Director  
DIN:07223878

**Sd/-**  
**DVVC Prasad Rao**  
Director  
DIN : 02304831

Place: Hyderabad  
Date : 16.05.2025

**Sd/-**  
**Y. Mallikarjuna Rao**  
Chief Financial Officer

**Sd/-**  
**Raghavendra Rao Medatati**  
Company Secretary  
M.No. FCS 13508

# SOPHIA TRAEXPO LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2025

Amount in Indian Rupees Lakh, except share data and where otherwise stated

| PARTICULARS  | As on<br>31.03.2025 | As on<br>31.03.2024 |
|--|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>                    |                     |                     |
| Net profit before tax  | (19.82)             | (11.71)             |
| <b>Adjustments for :</b>                                       |                     |                     |
| Interest income  | -                   | -                   |
| Expected credit loss   | -                   | -                   |
| Depreciation and amortization expense                          | -                   | -                   |
| <b>Operating profit before working capital changes</b>         | <b>(19.82)</b>      | <b>(11.71)</b>      |
| <b>Changes in current assets and liabilities</b>               |                     |                     |
| (Increase)/Decrease in Trade Receivables                       | (3.98)              | -                   |
| (Increase)/Decrease in Other financial assets                  | -                   | -                   |
| (Increase)/Decrease in Other Current Assets & Financial Assets | 4.04                | (0.85)              |
| Increase/(Decrease) in Trade Payables                          | (0.60)              | (0.95)              |
| Increase/(Decrease) in Other Current liabilities               | 0.42                | 2.04                |
| <b>Changes in Working Capital</b>                              | <b>(0.13)</b>       | <b>0.24</b>         |
| <b>Cash generated from operations</b>                          | <b>(19.95)</b>      | <b>(11.47)</b>      |
| Direct Taxes Paid  | -                   | -                   |
| <b>Net Cash from operating activities (A)</b>                  | <b>(19.95)</b>      | <b>(11.47)</b>      |
| <b>Cash flows from Investing Activities</b>                    |                     |                     |
| Purchase of Property, Plant and Equipment (Including CWIP)     | -                   | -                   |
| Sale of Property, Plant and Equipment                          | -                   | -                   |
| Interest income  | -                   | -                   |
| <b>Net Cash used in Investing Activities</b>                   | <b>-</b>            | <b>-</b>            |
| <b>Cash flows from/(used in) Financing Activities</b>          |                     |                     |
| Issued of Equity Share Capital (Including Securities Premium)  | -                   | -                   |
| Proceeds from Short term borrowings                            | -                   | -                   |
| Proceeds from Long term borrowings                             | -                   | -                   |
| <b>Net Cash used in Financing Activities</b>                   | <b>-</b>            | <b>-</b>            |
| <b>Net Increase/(Decrease) in cash and cash equivalents</b>    | <b>(19.95)</b>      | <b>(11.47)</b>      |
| Cash and Cash equivalents at the beginning of the year         | 140.97              | 152.45              |
| <b>Cash and Cash equivalents at the ending of the year</b>     | <b>121.02</b>       | <b>140.97</b>       |
| Cash & Cash Equivalents comprise:                              |                     |                     |
| Cash in Hand   | 0.03                | 7.37                |
| Balance with Banks in Current A/c                              | 120.99              | 133.59              |
| <b>Total Cash &amp; Cash Equivalents :</b>                     | <b>121.02</b>       | <b>140.97</b>       |

- Notes :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements".(Ind AS-7)
2. The notes form an integral part of these financial statements 1 to 2.28

For and on behalf of the Board of Directors  
**M/s. SOPHIA TRAEXPO LIMITED**

**For M/s. NSVR & Associates LLP,**  
Chartered Accountants  
FRN No: 008801S/S200060

**Sd/-**  
**R Srinivasu**  
Partner  
M.No. 224033  
UDIN: 25224033BMHXSQ3971

Place: Hyderabad  
Date : 16.05.2025

**Sd/-**  
**Lakshmi Satyasri Nekkanti**  
Director  
DIN:07223878

**Sd/-**  
**Y. Mallikarjuna Rao**  
Chief Financial Officer

**Sd/-**  
**DVVC Prasad Rao**  
Director  
DIN : 02304831

**Sd/-**  
**Raghavendra Rao Medatati**  
Company Secretary  
M.No. FCS 13508

## SOPHIA TRAEXPO LIMITED

### Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2025

| Equity share capital                                 | Opening balance as at April 01,2024 | Changes in equity share capital during the year | Closing balance "as at September 30,2024 | Closing balance as at March 31,2025 |
|--|-------------------------------------|---|--|-------------------------------------|
| 51,00,000 Equity Shares of Rs.10 each, fully paid up | 510.00                              | -   | 510.00                                   | 51.00                               |
| <b>Total</b>   | <b>510.00</b>                       | <b>-</b>  | <b>510.00</b>                            | <b>510.00</b>                       |

| Particulars   | Retained Earnings |
|---|-------------------|
| Balance as at April 01,2024                                   | -72.44            |
| Total Comprehensive Income for the Current Year March 31,2025 | -19.82            |
| <b>Balance as at March 31,2025</b>                            | <b>-92.26</b>     |

**NOTE: 2.1****Property, Plant and Equipment**

(Amount in Indian rupees lakh, except share data and where otherwise stated)

| Description                      | Computers and Data Processing units | Electrical Installations and Equipment | Furniture and Fittings | Motor Vehicles | Office Equipment | Total       |
|----------------------------------|-------------------------------------|--|------------------------|----------------|------------------|-------------|
| <b>Gross carrying amount</b>     |                                     |  |                        |                |                  |             |
| Gross carrying amount            |                                     |  |                        |                |                  |             |
| Cost as at April 01, 2024        | 0.04                                | -                                      | -                      | -              | -                | 0.04        |
| Additions                        | -                                   | -                                      | -                      | -              | -                | -           |
| Disposals                        | -                                   | -                                      | -                      | -              | -                | -           |
| <b>Cost As at March 31, 2025</b> | <b>0.04</b>                         | <b>-</b>                               | <b>-</b>               | <b>-</b>       | <b>-</b>         | <b>0.04</b> |
| Accumulated Depreciation         |                                     |  |                        |                |                  |             |
| Charge for the year              | -                                   | -                                      | -                      | -              | -                | -           |
| Disposals                        | -                                   | -                                      | -                      | -              | -                | -           |
| <b>As at March 31, 2025</b>      | <b>-</b>                            | <b>-</b>                               | <b>-</b>               | <b>-</b>       | <b>-</b>         | <b>-</b>    |
| <b>Net Carrying Value</b>        |                                     |  |                        |                |                  |             |
| As at March 31, 2024             | 0.04                                | -                                      | -                      | -              | -                | 0.04        |
| As at March 31, 2025             | 0.04                                | -                                      | -                      | -              | -                | 0.04        |

## SOPHIA TRAEXPO LIMITED

### Note 2.2 Trade Receivables

| Particulars                        | As at<br>31.03.2025 | As at<br>31.03.2024 |
|------------------------------------|---------------------|---------------------|
| <b>Trade Receivables</b>           |                     |                     |
| Unsecured, considered good         | 126.67              | 128.50              |
| Less: Allowances for Credit Losses | 8.32                | 14.13               |
| <b>Total</b>                       | <b>118.35</b>       | <b>114.36</b>       |

### Ageing of trade Receivables

| Particulars  | Trade Receivable Outstanding as at March 31, 2025 |                          |                      |              |              |                         |               |
|--|---|--------------------------|----------------------|--------------|--------------|-------------------------|---------------|
|  | Not Due   | Less<br>than 6<br>months | 6 Months<br>- 1 year | 1-2<br>years | 2-3<br>Years | More<br>than<br>3 years | Total         |
| Undisputed Trade receivables-considered good                               | -   | -                        | -                    | -            | -            | 126.67                  | <b>126.67</b> |
| Undisputed Trade Receivables-which have signifiant increase in Credit risk | -   | -                        | -                    | -            | -            | -                       | -             |
| Undisputed Trade Receivables-Credit impaired                               | -   | -                        | -                    | -            | -            | 8.32                    | <b>8.32</b>   |
| Disputed Trade Receivables-Considered good                                 | -   | -                        | -                    | -            | -            | -                       | -             |
| Disputed Trade Receivables-which have signifiant increase in Credit risk   | -   | -                        | -                    | -            | -            | -                       | -             |
| Disputed Trade Receivables-Credit impaired                                 | -   | -                        | -                    | -            | -            | -                       | -             |
| <b>Total</b>   | -   | -                        | -                    | -            | -            | <b>118.35</b>           | <b>118.35</b> |

**SOPHIA TRAEXPO LIMITED**

| Particulars   | Trade Receivable Outstanding as at March 31, 2024 |                    |                   |           |           |                   |               |
|---|---|--------------------|-------------------|-----------|-----------|-------------------|---------------|
|   | Not Due   | Less than 6 months | 6 Months - 1 year | 1-2 years | 2-3 Years | More than 3 years | Total         |
| Undisputed Trade receivables- considered good                               | -   | -                  | -                 | -         | -         | 128.50            | <b>128.50</b> |
| Undisputed Trade Receivables- which have signifiant increase in Credit risk | -   | -                  | -                 | -         | -         | -                 | -             |
| Undisputed Trade Receivables- Credit impaired                               | -   | -                  | -                 | -         | -         | 14.13             | <b>14.13</b>  |
| Disputed Trade Receivables- Considered good                                 | -   | -                  | -                 | -         | -         | -                 | -             |
| Disputed Trade Receivables- which have signifiant increase in Credit risk   | -   | -                  | -                 | -         | -         | -                 | -             |
| Disputed Trade Receivables- Credit impaired                                 | -   | -                  | -                 | -         | -         | -                 | -             |
| <b>Total</b>  | -   | -                  | -                 | -         | -         | <b>114.36</b>     | <b>114.36</b> |

**Note 2.3**

**Cash and cash equivalent**

| Particulars                                  | As at 31.03.2025 | As at 31.03.2024 |
|--|------------------|------------------|
| (a) Balances with banks<br>- Current Account | 120.99           | 133.59           |
| (b) Cash in hand                             | 0.03             | 7.37             |
| <b>Total</b>                                 | <b>121.02</b>    | <b>140.97</b>    |

## SOPHIA TRAEXPO LIMITED

### Note 2.4

#### Other Financial Assets

| Particulars                       | As at<br>31.03.2025 | As at<br>31.03.2024 |
|-----------------------------------|---------------------|---------------------|
| Inter corporate deposits          | 50.00               | 50.00               |
| Advances for materials and others | 151.43              | 151.43              |
| <b>Total</b>                      | <b>201.43</b>       | <b>201.43</b>       |

### Note 2.5

#### Other Current Assets

| Particulars   | As at<br>31.03.2025 | As at<br>31.03.2024 |
|---|---------------------|---------------------|
| Balances with Government Authorities- TDS receivables and Advance Tax | -                   | 5.00                |
| Balances with Government Authorities- GST Input                       | 8.32                | 7.48                |
| Prepaid Expenses  | 0.12                | -                   |
| <b>Total</b>  | <b>8.45</b>         | <b>12.48</b>        |

### Note 2.6

#### a. Share Capital

| Share Capital                                  | As at March 31, 2025 |               | As at March 31, 2024 |               |
|--|----------------------|---------------|----------------------|---------------|
|  | Number               | Amount        | Number               | Amount        |
| <b>Authorised</b>                              |                      |               |                      |               |
| 60,00,000 Equity Shares of ` 10/- each         | 60,00,000            | 600.00        | 60,00,000            | 600.00        |
| <b>Issued, Subscribed &amp; Paid up</b>        |                      |               |                      |               |
| 51,00,000 Equity Shares of ` 10/- paid up each | 51,00,000            | 510.00        | 51,00,000            | 510.00        |
| <b>Total</b>                                   | <b>51,00,000</b>     | <b>510.00</b> | <b>51,00,000</b>     | <b>510.00</b> |

#### b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars                                     | As at March 31, 2025 |               | As at March 31, 2024 |               |
|---|----------------------|---------------|----------------------|---------------|
|   | Number               | Amount        | Number               | Amount        |
| Shares outstanding at the beginning of the year | 51,00,000            | 510.00        | 51,00,000            | 510.00        |
| Shares Issued during the year                   | -                    | -             | -                    | -             |
| Shares bought back during the year              | -                    | -             | -                    | -             |
| Shares outstanding at the end of the year       | <b>51,00,000</b>     | <b>510.00</b> | <b>51,00,000</b>     | <b>510.00</b> |

**c. Rights attached to equity shares**

"The Company has only one class of equity shares having a face value of Rs.10 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the 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. ""

**d. Promoters holding more than 5% of the shares**

| Particulars            | As at March 31, 2025 |           | As at March 31, 2024 |           |
|------------------------|----------------------|-----------|----------------------|-----------|
|                        | Number of shares     | % holding | Number of shares     | % holding |
| Mrs.Rajani Nalluri     | 6,00,000             | 11.76%    | 6,00,000             | 11.76%    |
| Mrs.Pranitha Nalluri   | 6,00,000             | 11.76%    | 6,00,000             | 11.76%    |
| Mrs.Sai Charan Nalluri | 9,50,000             | 18.63%    | 9,50,000             | 18.63%    |
| Mrs.Anmol Nalluri      | 6,00,000             | 11.76%    | 6,00,000             | 11.76%    |

**Note No.2.7 Other Equity**

| Particulars  | Securities Premium | General Reserve | Capital Reserve | Other Comprehensive Income | Retained Earnings | Total   |
|--|--------------------|-----------------|-----------------|----------------------------|-------------------|---------|
| <b>Balance at March 31,2024</b>  | -                  | -               | -               | -                          | (72.44)           | (72.44) |
| Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit | -                  | -               | -               | -                          | -                 | -       |
| Changes In Accounting Policy Or Prior Period Errors                              | -                  | -               | -               | -                          | -                 | -       |
| Total Comprehensive Income for the Current Year                                  | -                  | -               | -               | -                          | -19.82            | -19.82  |
| Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit | -                  | -               | -               | -                          | -                 | -       |
| <b>Balance at March 31,2025</b>  |                    |                 |                 |                            | -92.26            | -92.26  |

## SOPHIA TRAEXPO LIMITED

### Note 2.8

#### Long Term Borrowings

| Particulars            | As at March 31,2025 |              | As at March 31,2024 |              |
|------------------------|---------------------|--------------|---------------------|--------------|
| - From Related Parties | -                   | -            | -                   | -            |
| - From Others          | -                   | 25.00        | -                   | 25.00        |
| <b>Total</b>           | -                   | <b>25.00</b> | -                   | <b>25.00</b> |

### Note 2.9

#### Deffered Tax Liabilities

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Deferred tax liability on Property,Plant and Equipment | -                       | 0.04                    |
| Deferred tax liability on Gratuity & Leave encashment  | -                       | -                       |
| <b>Total</b>   | -                       | <b>0.04</b>             |

### Note 2.10

#### Trade Payables

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Total Outstanding Dues of Micro Enterprises and Small Enterprises                           | -                       | -                       |
| Total Outstanding Dues of Creditors Other than -<br>Micro Enterprises and Small Enterprises | 3.60                    | 4.20                    |
| <b>Total</b>  | <b>3.60</b>             | <b>4.20</b>             |

#### *Ageing Schedule of Trade Payable:*

| Particulars                | Trade Payable Outstanding as at March 31, 2025 |                        |              |              |                      |             |
|----------------------------|--|------------------------|--------------|--------------|----------------------|-------------|
|                            | Not Due  | Less<br>than<br>1 year | 1-2<br>years | 2-3<br>Years | More than<br>3 years | Total       |
| (i) MSME                   | -  | -                      | -            | -            | -                    | -           |
| (ii) Others                | -  | -                      | -            | -            | 3.60                 | 3.60        |
| (iii) Disputed Dues-MSME   | -  | -                      | -            | -            | -                    | -           |
| (iv) Disputed Dues -Others | -  | -                      | -            | -            | -                    | -           |
| <b>Total</b>               | -  | -                      | -            | -            | <b>3.60</b>          | <b>3.60</b> |

**SOPHIA TRAEXPO LIMITED**

| Particulars                | Trade Payable Outstanding as at March 31, 2024 |                  |           |           |                   |             |
|----------------------------|--|------------------|-----------|-----------|-------------------|-------------|
|                            | Not Due  | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | Total       |
| (i) MSME                   | -  | -                | -         | -         | -                 | -           |
| (ii) Others                | -  | .60              | -         | -         | 3.60              | 4.20        |
| (iii) Disputed Dues-MSME   | -  | -                | -         | -         | -                 | -           |
| (iv) Disputed Dues -Others | -  | -                | -         | -         | -                 | -           |
| <b>Total</b>               | -  | <b>0.60</b>      | -         | -         | <b>3.60</b>       | <b>4.20</b> |

**Note 2.11**

**Other Financial Liabilities**

| Particulars       | As at March 31, 2025 | As at March 31, 2024 |
|-------------------|----------------------|----------------------|
| TDS Payable       | -                    | 0.03                 |
| Salaries Payable  | 0.45                 | 0.45                 |
| Audit fee payable | 2.50                 | 2.00                 |
| <b>Total</b>      | <b>2.95</b>          | <b>2.48</b>          |

**Note 2.12**

**Current Tax Liabilities (Net)**

| Particulars                  | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------|----------------------|----------------------|
| (i) Provision for Income Tax | -                    | -                    |
| <b>Total</b>                 | -                    | -                    |

**Note 2.13**

**Revenue from operations**

| Particulars                          | for the year ending March 31, 2025 | for the year ending March 31, 2024 |
|--------------------------------------|------------------------------------|------------------------------------|
| <b>Revenue from Sale of Goods</b>    |                                    |                                    |
| Domestic Sales                       | -                                  | -                                  |
| Export Sales                         | -                                  | -                                  |
| <b>Revenue from Sale of Services</b> |                                    |                                    |
| Domestic Services                    | -                                  | -                                  |
| Export Sales                         | -                                  | -                                  |
| <b>Total</b>                         | -                                  | -                                  |

## SOPHIA TRAEXPO LIMITED

### Note 2.14

#### Other Income

| Particulars     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------|-------------------------|-------------------------|
| Interest Income | -                       | -                       |
| Dividend Income | -                       | -                       |
|                 | -                       | -                       |

### Note 2.15

#### Cost of materials consumed

| Particulars         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------|-------------------------|-------------------------|
| Opening stock       | -                       | -                       |
| Add: Purchases      | -                       | -                       |
| Less: Closing stock | -                       | -                       |
| Total               | -                       | -                       |

### Note 2.16

#### Employee Benefits Expense

| Particulars             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------|-------------------------|-------------------------|
| Salaries and incentives | -                       | -                       |
| Directors Remmuneration | 5.39                    | 5.40                    |
| Staff welfare expenses  | -                       | -                       |
| Total                   | 5.39                    | 5.40                    |

### Note 2.17

#### Depreciation and amortization expense

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Depreciation for the year on tangible assets | -                       | -                       |
| Depreciation for the year on Rou Assets      | -                       | -                       |
| Total  | -                       | -                       |

**Note 2.18**

**Other Expenses**

| Particulars                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------|-------------------------|-------------------------|
| <b>Audit Fees:</b>                 |                         |                         |
| -Statutory Audit Fee               | 0.50                    | 0.50                    |
| -Tax Audit Fee                     | -                       | -                       |
| Listing fees                       | 3.13                    | 3.49                    |
| Printing & Stationery              | -                       | 0.09                    |
| Bank Charges                       | 0.00                    | 0.01                    |
| ROC Expense                        | -                       | 0.01                    |
| Advertisement Expenses             | 0.38                    | 0.43                    |
| Professional and Technical Charges | 0.46                    | 0.70                    |
| Demat A/c Maintenance Charges      | 0.65                    | 0.96                    |
| Rates and Taxes                    | 0.05                    | -                       |
| Other expenses                     | 0.93                    | 0.12                    |
| Expected Credit Loss               | 8.32                    | -                       |
| <b>Total</b>                       | <b>14.43</b>            | <b>6.31</b>             |

**2.19 Earnings per Share**

“Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.”

“Diluted earnings per share is calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the period/year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.”

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Profit after tax (PAT)   | -19.82                  | -11.71                  |
| <b>Net Profit for calculation of Basic and Diluted EPS (A)</b> | <b>-19.82</b>           | <b>-11.71</b>           |
| Weighted average number of equity shares for Basic EPS (B)     | 51,00,000               | 51,00,000               |
| Effect of dilutive Equivalent ESOP's                           | -                       | -                       |
| Weighted average number of equity shares for Diluted EPS (C )  | 51,00,000               | 51,00,000               |
| <b>Basic EPS (A/B)</b>   | <b>-0.39</b>            | <b>-0.23</b>            |
| <b>Diluted EPS (A/C)</b>                                       | <b>-0.39</b>            | <b>-0.23</b>            |

## SOPHIA TRAEXPO LIMITED

### 2.20 Auditors Remuneration

| Particulars          | For the year ended<br>31 March 2025 | For the year ended<br>31 March 2024 |
|----------------------|-------------------------------------|-------------------------------------|
| Statutory Audit Fees | 0.50                                | 0.50                                |
| Tax Audit fees       |                                     |                                     |
| For other services   | -                                   | -                                   |
| <b>TOTAL</b>         | <b>0.50</b>                         | <b>0.50</b>                         |

\* Excluding Taxes

### 2.21 Related Party Transaction

#### (a) Names of related parties

| S.No | Name of the Related Party                 | Nature of Relation                               |
|------|---|--|
| 1    | YERRAPRAGADA MALLIKARJUNA RAO             | Whole Time Director &<br>Chief Financial Officer |
| 2.   | SRINIVASARAO BOLLA                        | Director   |
| 3.   | LAKSHMI SATYASRI NEKKANTI                 | Director   |
| 4.   | DURGA VENKATA VARA CHADALAWADA PRASAD RAO | Director   |
| 5.   | RAGHAVENDRA RAO MEDATATI                  | Company Secretary                                |

#### (b) Transactions during the year

| Particulars                         | For the year ended<br>31 March 2025 | For the year ended<br>31 March 2024 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Remuneration &amp; Commision</b> |                                     |                                     |
| YERRAPRAGADA MALLIKARJUNA RAO       | 2.40                                | 2.40                                |
| RAGHAVENDRA RAO MEDATATI            | 3.00                                | 3.00                                |
| <b>Commission</b>                   |                                     |                                     |
| YERRAPRAGADA MALLIKARJUNA RAO       | -                                   | -                                   |
| RAGHAVENDRA RAO MEDATATI            | -                                   | -                                   |
| <b>Sales</b>                        |                                     |                                     |
| YERRAPRAGADA MALLIKARJUNA RAO       | -                                   | -                                   |
| RAGHAVENDRA RAO MEDATATI            | -                                   | -                                   |

#### (c) Balance Outstanding at

| Particulars                   | For the year ended<br>31 March 2025 | For the year ended<br>31 March 2024 |
|-------------------------------|-------------------------------------|-------------------------------------|
| <b>Amount Receivable</b>      |                                     |                                     |
| YERRAPRAGADA MALLIKARJUNA RAO | -                                   | -                                   |
| RAGHAVENDRA RAO MEDATATI      | -                                   | -                                   |
| <b>Amount Payable</b>         |                                     |                                     |
| YERRAPRAGADA MALLIKARJUNA RAO | -                                   | -                                   |
| RAGHAVENDRA RAO MEDATATI      | -                                   | -                                   |

**2.22 Segment Reporting:**

The Company concluded that there is only one operating segment i.e., Paper and paper related Products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

**2.23 Details of Employee Benefit**

**a. Defined Benefit Contribution -Provident fund and other funds**

| Particulars              | For the year ended<br>31 March 2025 | For the year ended<br>31 March 2024 |
|--------------------------|-------------------------------------|-------------------------------------|
| Provident Fund           | -                                   | -                                   |
| PF Admin charges         | -                                   | -                                   |
| Employee State Insurance | -                                   | -                                   |
| <b>Total</b>             | <b>-</b>                            | <b>-</b>                            |

**2.24 Income taxes**

Income tax Expense/(Benefit) recognised in the Statement of Profit and Loss Account

| Particulars  | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|--|---------------------------------------|---------------------------------------|
| Current Tax Expense                                  | -                                     | -                                     |
| Deferred tax Expense                                 | -                                     | -                                     |
| Deferred tax Expense Benefit                         | -                                     | -                                     |
| <b>Total income tax Expense/(Benefit) recognised</b> | <b>-</b>                              | <b>-</b>                              |

Income tax Expense/(Benefit) recognised in the Statement of other comprehensive income

| Particulars  | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|--|---------------------------------------|---------------------------------------|
| Tax Effect on remeasurement of defined benefit Plans |                                       |                                       |
| <b>Total income tax Expense/(Benefit) recognised</b> | <b>-</b>                              | <b>-</b>                              |

## SOPHIA TRAEXPO LIMITED

### Reconciliation of Effective tax rate:

| Particulars                             | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|---|---------------------------------------|---------------------------------------|
| Profit Before Income tax                | -19.82                                | -11.71                                |
| Enacted tax Rate in India               | 25.17%                                | 25.17%                                |
| Computed Expected Tax Expense/(Benefit) | -                                     | -                                     |
| <b>Tax Effect on</b>                    |                                       |                                       |
| Expense Not deductible for tax Purpose  |                                       |                                       |
| Expense deductible for tax Purpose      |                                       |                                       |
| Others -                                | -                                     |                                       |
| Income tax Expense/(Benefit)            | -                                     | -                                     |
| <b>Effective tax rate</b>               | -                                     | -                                     |

### Deferred tax assets & Liabilities:

| Particulars                                   | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|---|---------------------------------------|---------------------------------------|
| Deferred tax on Property,Plant and Equipment  | -                                     | 0.04                                  |
| Deferred tax on Gratuity and Leave Encashment | -                                     | -                                     |
| <b>Net deferred tax assets/(liabilities)</b>  | -                                     | <b>(0.04)</b>                         |

### 2.25 Contingent Liabilities

| Particulars   | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|---|---------------------------------------|---------------------------------------|
| Claims against the Company/Disputed Liabilities not acknowledged as debts | -                                     | -                                     |
| Bank Gurantee   | -                                     | -                                     |
| <b>Total</b>  | -                                     | -                                     |

**2.26 Financial Instruments:**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| Particulars                        | Carrying Value | Fair Value    | Carrying Value | Fair Value    |
|------------------------------------|----------------|---------------|----------------|---------------|
|                                    | Mar 31, 2025   | Mar 31, 2025  | Mar 31, 2025   | Mar 31, 2025  |
| Trade Receivables                  | 118.35         | 118.35        | 114.36         | 114.36        |
| Loans and advances                 | -              | -             | -              | 0             |
| Cash and cash equivalents          | 121.02         | 121.02        | 140.97         | 140.97        |
| Other Bank balances                | -              | -             | -              | -             |
| Other Non current financial assets |                |               |                |               |
| Other current Financial Assets     | 201.43         | 201.43        | 201.43         | 201.43        |
| <b>Total</b>                       | <b>440.80</b>  | <b>440.80</b> | <b>456.76</b>  | <b>456.76</b> |
| Borrowings                         | 25.00          | 25.00         | 25.00          | 25.00         |
| Trade payables                     | 3.60           | 3.60          | 4.20           | 4.20          |
| Other financial liabilities        | 2.95           | 2.95          | 2.48           | 2.48          |
| <b>Total</b>                       | <b>31.55</b>   | <b>31.55</b>  | <b>31.68</b>   | <b>31.68</b>  |

The fair value of trade receivables, other financial assets, cash and cash equivalents, other bank balances, borrowings, trade payables and other financial liabilities approximate their carrying amount largely due to short-term nature of these instruments.

**2.27 Financial risk management objectives and policies**

"The Company's financial liabilities comprise mainly of other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks, trade receivables and other receivables."

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk and Liquidity risk.

**i) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of Foreign Currency Exchange rates. Financial instruments affected by market risk include Trade Receivables

**a. Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's has no exposure to Interest Rate Risks.

## SOPHIA TRAEXPO LIMITED

### b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company's has no exposure to Interest Rate Risks.

#### Expenditure in Foreign Currency is as follows

| Particulars                           | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| FOB value of Imports                  | -                                     | -                                     |
| Contract and Professional Fess in USD | -                                     | -                                     |
| Other Expenses                        | -                                     | -                                     |
| <b>Total</b>                          | -                                     | -                                     |

#### Earnings in Foreign Exchange

| Particulars                           | For the Period Ended<br>31 March 2025 | For the Period Ended<br>31 March 2024 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| FOB value of Imports                  | -                                     | -                                     |
| Contract and Professional Fess in USD | -                                     | -                                     |
| Dividend income                       | -                                     | -                                     |
| <b>Total</b>                          | -                                     | -                                     |

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivables

Credit risk with respect to trade receivables is limited, based on our historical experience of collecting receivables, supported by the level of default.

#### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's top management in accordance with the Company's policy.

### iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

**2.28 Other Statutory Information**

- a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company does not have any transactions with struck off companies.
- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Company has 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.
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) 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
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- j. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.
- k. There is no borrowings made by the company from banks and financial institutions during the current financial Year.

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### 2.28 Ratios as per the Schedule III requirements

| Ratio                            | 31 March 2025 | 31 March 2024 | % Change | Note |
|----------------------------------|---------------|---------------|----------|------|
| Current Ratio                    | 68.61         | 70.24         | -2.33%   | a.   |
| Debt Equity Ratio                | 0.06          | 0.06          | 4.74%    | b.   |
| Debt Service Coverage Ratio      | -             | -             | NA       | c.   |
| Return on Equity                 | -4.63%        | -2.64%        | 75.47%   | d.   |
| Inventory Turnover Ratio         | -             | -             | NA       | e.   |
| Trade Receivables turnover ratio | -             | -             | NA       | f.   |
| Trade Payables turnover ratio    | -             | -             | NA       | g.   |
| Net Capital Turnover Ratio       | -             | -             | NA       | h.   |
| Net profit ratio                 | -             | -             | NA       | i.   |
| Return on Capital employed       | -6.16%        | -3.64%        | 69.19%   | j.   |

**a Current Ratio = Current assets divided by Current liabilities**

| Particulars                        | 31 March 2025 | 31 March 2024 |
|------------------------------------|---------------|---------------|
| Current assets                     | 449.25        | 469.25        |
| Current liabilities                | 6.55          | 6.68          |
| <b>Ratio</b>                       | <b>68.61</b>  | <b>70.24</b>  |
| <b>% Change from previous year</b> | <b>-2.33%</b> |               |

**Reason for change more than 25%:** Due to decrease of Trade receivables for the current year

**b. Debt Equity ratio = Total debt divided by Shareholder's Equity where total debt refers to sum of current & non current borrowings**

| Particulars | 31 March 2025 | 31 March 2024 |
|-------------|---------------|---------------|
|             |               |               |
|             |               |               |
|             |               |               |

**c. Debt Service Coverage Ratio = Earnings available for debt service divided by interest and lease payments + principal repayments**

| Particulars                                       | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Net Profit after tax                              | -19.82        | -11.71        |
| Add: Non cash operating expenses and finance cost |               |               |
| - Depreciation and amortizations                  | -             | -             |
| - Finance cost                                    | -             | -             |
| - Provision for bad debts                         | -             | -             |
| Less: Non operating income                        | -             | -             |
| <b>Earnings available for debt service</b>        | <b>-19.82</b> | <b>-11.71</b> |
| Interest cost on borrowings                       | -             | -             |
| Lease payments                                    | -             | -             |
| Principal repayments for long-term borrowings     | -             | -             |
| <b>Total Interest and principal repayments</b>    | <b>-</b>      | <b>-</b>      |
| <b>Ratio</b>                                      | <b>-</b>      | <b>-</b>      |
| <b>% Change from previous year</b>                | <b>-</b>      | <b>-</b>      |

**Reason for change more than 25%:** NA

- d. **Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes divided by average shareholder's equity**

| Particulars                                     | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Net profit after taxes                          | -19.82        | -11.71        |
| Less: Preference dividend                       | -             | -             |
| <b>Earning available to equity shareholders</b> | <b>-19.82</b> | <b>-11.71</b> |
| Average Shareholder's Equity                    | 427.65        | 443.41        |
| <b>Ratio</b>                                    | <b>-0.05</b>  | <b>-0.03</b>  |
| <b>% Change from previous year</b>              | <b>75.47%</b> |               |

Reason for change more than 25%: Due to increase of other expenses

- e. **Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

| Particulars                        | 31 March 2025 | 31 March 2024 |
|------------------------------------|---------------|---------------|
| Cost of Inventory consumed         | -             | -             |
| Average Inventory                  | -             | -             |
| <b>Inventory Turnover Ratio</b>    | <b>-</b>      | <b>-</b>      |
| <b>% Change from previous year</b> | <b>-</b>      | <b>-</b>      |

Reason for change more than 25%: NA

- f. **Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables**

| Particulars                        | 31 March 2025 | 31 March 2024 |
|------------------------------------|---------------|---------------|
| Net Credit Sales                   | -             | -             |
| Average Trade Receivables          | 116.35        | 114.36        |
| <b>Ratio</b>                       | <b>-</b>      | <b>-</b>      |
| <b>% Change from previous year</b> | <b>-</b>      |               |

Reason for change more than 25% : NA

- g. **Trade Payables turnover ratio = Net Credit Purchases divided by average Trade Payables**

| Particulars                                       | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Net Purchases                                     | -             | -             |
| Total   | -             | -             |
| Average Trade payables and provision for expenses | 3.90          | 4.68          |
| <b>Ratio</b>                                      | <b>-</b>      | <b>-</b>      |
| <b>% Change from previous year</b>                | <b>-</b>      |               |

Reason for change more than 25%: NA

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- h. Net Capital Turnover Ratio = Sales divided by Working Capital where Working Capital = Current Assets - Current Liabilities**

| Particulars                        | 31 March 2025 | 31 March 2024 |
|------------------------------------|---------------|---------------|
| Revenue from operations            | -             | -             |
| Working capital                    | 442.70        | 462.57        |
| <b>Ratio</b>                       | -             | -             |
| <b>% Change from previous year</b> | -             |               |

**Reason for change more than 25% : NA**

- i. Net profit ratio = Net profit after taxes divided by Net Sales**

| Particulars                        | 31 March 2025 | 31 March 2024 |
|------------------------------------|---------------|---------------|
| Net profit after taxes             | -19.82        | -11.71        |
| Net Sales                          | -             | -             |
| <b>Ratio</b>                       | -             | -             |
| <b>% Change from previous year</b> | -             | -             |

**Reason for change more than 25% : NA**

- j. Return on Capital employed (pre cash)=Earnings Before Interest and Taxes (EBIT) divided by Capital Employed**

| Particulars   | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Profit before tax (A)                               | -19.82        | -11.71        |
| Finance costs (B)                                   | -             | -             |
| Other income (C)                                    | -             | -             |
| <b>EBIT (D) = (A)+(B)-(C)</b>                       | <b>-19.82</b> | <b>-11.71</b> |
| <b>Capital Employed (Pre Cash) (J)= (E)-(F)-(G)</b> | <b>321.72</b> | <b>321.63</b> |
| Total Assets (E)                                    | 449.29        | 469.28        |
| Current liabilities (F)                             | 6.55          | 6.68          |
| Cash and Cash equivalents (G)                       | 121.02        | 140.97        |
| <b>Ratio (D)/(J)</b>                                | <b>-6.16%</b> | <b>-3.64%</b> |
| <b>% Change from previous year</b>                  | <b>69.19%</b> |               |

**Reason for change more than 25%:** Due to Providing the expected credit loss against the debtors Balances

## **1. NOTES TO FINANCIAL STATEMENTS**

### **DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 General Information**

**SOPHIA TRAEXPO LIMITED** (the company) is engaged in Manufacturing, Trading of paper and paper related products and also services incidental thereto. The Company is a public limited company incorporated and domiciled in India having registered office at 6-3-1090/B/1 & 2, 4th floor, Mayank Towers, Raj Bhavan Road, Somajiguda, Hyderabad, Khairatabad, Telangana, India, 500082. It is Listed on the BSE.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **1.2 Basis of preparation and presentation of Financial Statements**

The financial statements of **SOPHIA TRAEXPO LIMITED** have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31 March 2025, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014.

#### **1.3 Basis of Measurement**

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation and
- c. Long-term borrowings are measured at amortized cost using the effective interest rate method.

#### **1.4 Use of estimates and judgments.**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

##### **a. Depreciation and amortization**

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

### **b. Employee Benefits**

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

### **c. Provision and contingencies**

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

### **d. Fair valuation**

Fair value is the market based measurement of observable market transaction or available market information.

## **1.5 Functional and presentation currency**

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

## **1.6 Current and non-current classification**

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

### **Assets: An asset is classified as current when it satisfies any of the following criteria:**

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

### **Liabilities: A liability is classified as current when it satisfies any of the following criteria:**

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

**1.7 Foreign Currency Transaction**

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, if any.

**1.8 Property Plant & Equipment****Recognition and measurement**

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

**Depreciation**

Depreciation is recognized in the statement of profit and loss on a Straight Line Method (SLM) basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other current assets.

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The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The useful life of Property, Plant and Equipment are given below:

| Category              | Useful life |
|-----------------------|-------------|
| Computers and Laptops | 3 Years     |

### 1.9 Intangible assets

Intangible Assets are capitalised on the basis of the costs incurred to acquire and bring to use. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

#### Amortization

Amortization is recognized in the statement of profit and loss on a written down value basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

### 1.10 Financial Instruments

a financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

#### a. Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

#### (i) Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

#### (ii) Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortised cost using Effective Rate of Return (EIR).

#### (iii) Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity

instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments i.e., investments in equity shares within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

#### **(iv) Investments in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **b. Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

### **Subsequent measurement**

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

#### **(i) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

#### **1.11 Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition..

#### **1.12 Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at 31st March.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **1.13 Cash & Cash Equivalents**

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this

purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

#### **1.14 Employee Benefits**

##### **a. Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### **b. Defined Contribution Plan**

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

##### **c. Defined Benefit Plans**

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

##### **d. Termination benefits**

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

##### **e. Other long-term employee benefits**

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

### 1.15 Provisions, contingent liabilities and contingent assets

#### a. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### b. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### c. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 1.16 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

#### a) Income from Services:

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the end of the reporting period

#### b) Sale of Goods:

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following are satisfied:

- i) ) The company has transferred all significant risks and rewards of ownership of goods to the buyer:
- ii) The amount of revenue can be measured reliably: and
- iii) It is probable that the economic benefits associated with the transaction will flow to the Company

#### Other Income

##### (i) Miscellaneous Income

Miscellaneous Income includes Rounding off and other non operating income these are recognized as and when accrued.

**1.17 Borrowing Costs**

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

**1.18 Tax Expenses**

Tax expense consists of current and deferred tax.

**a. Income Tax**

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

**b. Deferred Tax**

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognized in the statement of changes in equity as part of the associated dividend payment.

**1.19 Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**1.20 Trade receivables**

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The

Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115 "Revenue from Contracts with Customers".

### **1.21 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### **1.22 Determination of fair values**

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

#### **a. Property, plant and equipment**

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

#### **b. Intangible assets**

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

#### **c. Inventories**

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

#### **d. Investments in equity and debt securities and units of mutual funds**

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

**e. Derivatives**

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

**f. Non-derivative financial liabilities**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

**Recent pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**For NSVR & ASSOCIATES LLP**

Chartered Accountants  
FRN No.008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

**Sd/-**

**R Srinivasu**

Partner

M.No. 224033

UDIN: 25224033BMHXSQ3971

**Sd/-**

**Lakshmi Satyasri Nekkanti**

Director

DIN: 07223878

**Sd/-**

**DVVC Prasad Rao**

Director

DIN: 02304831

Place: Hyderabad

Date : 16-05-2025

**Sd/-**

**Y. Mallikarjuna Rao**

Chief Financial Officer

**Sd/-**

**Raghavendra Rao Medatati**

Company Secretary

M.No. FCS 13508

**SOPHIA TRAEXPO LIMITED**

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**

(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Sophia Traexpo Limited.

I hereby record my presence at the 42nd Annual General Meeting of the Members of Sophia Traexpo Limited will be held on Monday, September 29, 2025 at 11.00 a.m. at the Registered Office of the Company at 2nd Floor, 6-3-1090/B/1 & 2, 4th floor, Mayank Towers Raj Bhavan Road, Somajiguda, Hyderabad-500082, Telangana, India.

Folio No. ....DP. ID. No.....

Client ID No.....

Name of the Member.....

Signature.....

Name of the Proxy holder.....

Signature.....

**Note:**

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Notice for reference at the Meeting.
3. Please fill in this attendance slip and hand it over at the entrance of the meeting hall.

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# SOPHIA TRAEXPO LIMITED

## FORM NO. MGT-11

### PROXY FORM

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

CIN L21000TG1983PLC113227  
Name of the Company SOPHIA TRAEXPO LIMITED  
Registered Office 6-3-1090/B/1 & 2, 4th floor, Mayank Towers Raj Bhavan Road, Somajiguda, Khairatabad, Hyderabad Telangana, 500082 ,India

|                            |  |
|----------------------------|--|
| Name of the Member         |  |
| Registered Address         |  |
| Email ID                   |  |
| Folio No/ <b>Client ID</b> |  |

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

1 Name:

Address

Email ID

Signature

Or failing him

2 Name:

Address

Email ID

Signature

Or failing him

3 Name:

Address

Email ID

Signature

Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Members of Sophia Traexpo Limited, to be held on Monday, September 29, 2025 at 11.00 a.m. at the Registered Office of the Company at 2nd Floor," 6-3-1090/B/1 & 2, 4th floor, Mayank Towers Raj Bhavan Road, Somajiguda, Hyderabad- 500082, Telangana, India in respect of such resolutions as are indicated below:

## SOPHIA TRAEXPO LIMITED

| Sl. No | Resolutions   |
|--------|---|
|        | <b>Ordinary Business:</b>   |
| 1.     | To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon. |
| 2.     | To appoint a director in the place of Mr. Yerrapragada Mallikarjuna Rao holding (DIN: 00905266), who retires by rotation and being eligible, offers himself for reappointment as a director.    |
|        | <b>Special Business:</b>  |
| 3.     | Re-appointment of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) as Whole-time Director of the Company   |
| 4.     | Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as a Director of the Company.   |
| 5.     | Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as Executive Director of the company.   |
| 6.     | Appointment of Mr. Venkata Eswar Gopaluni (DIN: 09654293) as Non - Executive Independent Director of the Company.   |
| 7.     | Appointment of Mrs. Triveni Banda (DIN: 09528975) as Non-Executive Independent Director of the company.   |
| 8.     | Appointment of Mrs. N. Vanitha (COP No. 10573) as Secretarial Auditor of the Company.   |

Affix  
Revenue  
Stamp

Signed this..... day of..... 20...

Signature of shareholder:

Signature of Proxy holder(s):

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

# SOPHIA TRAEXPO LIMITED

Form No. MGT-12

## POLLING PAPER

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

### SOPHIA TRAEXPO LIMITED

(CIN:L21000TG1983PLC113227)

Registered Office: 2nd Floor, " 6-3-1090/B/1 & 2,  
4th floor, Mayank Towers Raj Bhavan Road, Somajiguda, Hyderabad, Telangana, 500082, India.

### BALLOT PAPER

| S.No. | Particulars   | Details |
|-------|---|---------|
| 1.    | Name of the First Named Shareholder (in block letters)  |         |
| 2.    | Postal address:   |         |
| 3.    | Registered Folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form) |         |
| 4.    | Class of Share(s)   |         |

I hereby exercise my vote in respect of Ordinary/Special Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

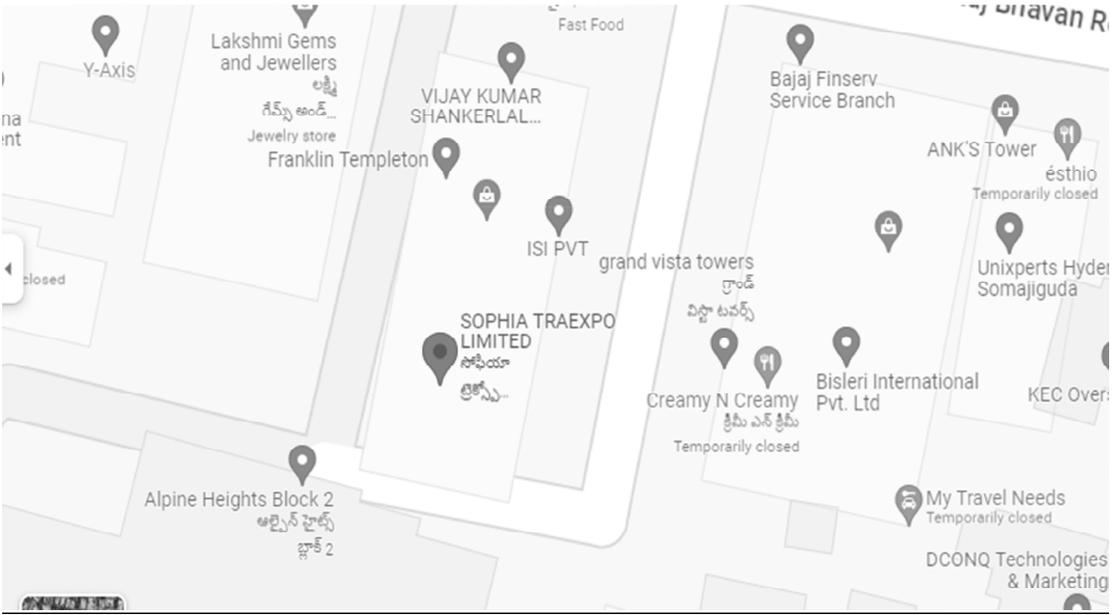
| Sl. No | Resolutions   | For | Against |
|--------|---|-----|---------|
|        | <b>Ordinary Business:</b>   |     |         |
| 1.     | To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon. |     |         |
| 2.     | To appoint a director in the place of Mr. Yerrapragada Mallikarjuna Rao holding (DIN: 00905266), who retires by rotation and being eligible, offers himself for reappointment as a director.    |     |         |
|        | <b>Special Business:</b>  |     |         |
| 3.     | Re-appointment of Mr. Yerrapragada Mallikarjuna Rao (DIN: 00905266) as Whole-time Director of the Company   |     |         |
| 4.     | Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as a Director of the Company.   |     |         |
| 5.     | Appointment of Mr. Nalluri Sai Charan (DIN: 07486748) as Executive Director of the company.   |     |         |
| 6.     | Appointment of Mr. Venkata Eswar Gopaluni (DIN: 09654293) as Non - Executive Independent Director of the Company.   |     |         |
| 7.     | Appointment of Mrs. Triveni Banda (DIN: 09528975) as Non-Executive Independent Director of the company.   |     |         |
| 8.     | Appointment of Mrs. N. Vanitha (COP No. 10573) as Secretarial Auditor of the Company.   |     |         |

Date:

Place:

(Signature of the Shareholder\*)

## ROUTE MAP



**Registered Office:**

6-3-1090/B/1 & 2, 4th floor, Mayank Towers,  
Raj Bhavan Road, Somajiguda, Khairatabad,  
Hyderabad- 500082, Telangana, India.

**CIN:** L21000TG1983PLC113227

**E-mail ID:** sophiatraexpolimited@gmail.com

**Website:** www.sophiatraexpo.com.

**Link :** <https://maps.app.goo.gl/i659RtJ55oiqn46J6>