

**NOTICE OF 30th ANNUAL GENERAL MEETING****SMART FINSEC LIMITED**

Registered Office: F-88, West District Centre, Shivaji Enclave, Rajouri Garden,
Opp. TDI Paragon Mall, New Delhi 110027

Corporate Identity Number: L74899DL1995PLC063562

Website: www.smartfinsec.com; **Email:** smartfinsec@gmail.com

Tel: +011 – 45004425

NOTICE is hereby given that the 30th Annual General Meeting of the Members of SMART FINSEC LIMITED ("the Company") will be held on Thursday, September 25, 2025 at 11:30 a.m. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The venue of the meeting shall be deemed to be the registered office of the Company to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone Financial Statement of the company for the financial year ended March 31, 2025, together with the reports of the Board of Directors and the Auditors thereon.**

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

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Statutory Auditors thereon, be and are hereby considered, approved and adopted."

2. **To appoint a director in place of Mr. Sachit Khara (DIN: 03536957), who retires by rotation and being eligible, offers himself for re-appointment.**

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 read with rules framed thereunder, Mr. Sachit Khara (DIN: 03536957), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company."

SPECIAL BUSINESS:

3. **Appointment of Mr. Arun Khara (DIN: 00055694)) as a Managing Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, ("Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof, for the time being in force), and pursuant to the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of members of the company be and is hereby accorded for appointment of Mr. Arun Khara (DIN 00055694), as the Managing Director of the Company for a period of five years from August 29, 2025 to August 28, 2030 upon such the terms, conditions as set



out in the Explanatory Statement annexed hereto with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Arun Khara from time to time, without being required to seek further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution, without being required to seek any further consent or approval of the member(s) of the Company.”

**By the Order of the Board
For Smart Finsec Limited
Sd/-**

**Date: August 28, 2025
Place: New Delhi**

**Rajvinder Kaur
Company Secretary**

Notes:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circulars No. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024, (‘MCA Circulars’) and the Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03 2024 and other applicable circulars issued in this regard, (hereinafter collectively referred to as “the Circulars”), have permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) without the physical presence of the members at a common venue. Accordingly, in compliance with the provisions of the Act read with the Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Business stating material facts and reasons for the proposed resolutions is annexed hereto.
3. A statement giving relevant details of the directors seeking appointment/ reappointment, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure-I.
4. Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
5. In pursuance of Section 112 and Section 113 of the Act, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and to vote through electronic means. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to pkmishra59@yahoo.com with a copy marked to evoting@nsdl.co.in.

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Since the AGM will be held through VC / OAVM Facility, the Route Map is not annexed to this Notice.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. In compliance with the aforesaid MCA and SEBI Circulars, notice of AGM along with the Annual Report is being sent by electronic mode to those members whose email addresses are registered with the Company/ Registrar & Share Transfer Agent (RTA) or Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report are available on the website of the Company at smartfinsec.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com. Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to members whose e-mail ids are not registered with Company/RTA/DP providing the weblink of Company's website from where the Annual Report for financial year 2024-25 can be accessed.
11. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the RTA in case the shares are held by them in physical form.
12. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Thursday, September 18, 2025 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM.
13. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
14. In terms of the SEBI Listing Regulations, the listed companies shall process all investor service requests only in dematerialised form, including requests related to issuance of duplicate securities certificates, renewal/exchange of securities certificates, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Further, SEBI has simplified the procedure and standardised the format of documents for transmission of securities. Accordingly, Members are requested to submit their service requests by submitting a duly



filled and signed Form ISR-4 and ISR-5 (in case of transmission), As mandated by SEBI, all such service requests will be processed by the Company/RTA in dematerialised mode only. Members who are still holding shares in physical form are requested to dematerialise their shares by approaching any of the registered DPs, to eliminate all risks associated with physical shares.

15. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 19, 2025 to Thursday, September 25, 2025 (both days inclusive).

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

The remote e-voting period begins on Monday, September 22, 2025 at 9:00 A.M. and ends on Wednesday, September 24, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 18, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 18, 2025.

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





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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat

	<p>account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  <div style="margin: 0 10px;">App Store</div>  <div>Google Play</div> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.



b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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



1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"
3. Now you are ready for e-Voting as the Voting page opens
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pkmishra59@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to smartfinsec@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to smartfinsec@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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



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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at smartfinsec@gmail.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at smartfinsec@gmail.com. The same will be replied by the Company suitably. A Member who has registered as a speaker will only be allowed to express views/ ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Other Instructions:

1. The Board of Directors has appointed Mr. Pawan Kumar Sharma (FCS No. 4305, C.P. No.: 16222) Proprietor of PK Mishra & Associates, Company Secretaries, as 'Scrutinizer' to scrutinize the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during the AGM and shall make, not later than 3 days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total e-votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the Scrutinizer's Report and declare the result of the voting forthwith.

For and on Behalf of the Company
Smart Finsec Limited
Sd/-

Date: August 28, 2025
Place: New Delhi

Rajvinder Kaur
Company Secretary



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Items No. 3:

Mr. Arun Khera is one of the promoters of the Company and has been associated with the Company for more than two decades. He has served as the Managing Director of Smart Finsec Ltd since 1995 and has played a pivotal role in steering the Company through various phases.

Over the years, Mr. Khera has been instrumental in driving the Company's strategic vision, implementing sound financial practices, and establishing a strong business model. Under his leadership, the Company has achieved significant milestones in terms of revenue growth, profitability, and shareholder value creation.

Mr. Arun Khera is a Member of the Institute of Chartered Accountants of India and also holds a Master's degree in Commerce. With over 25 years of professional experience in finance, accounting, and the securities market, he has developed expertise and insight into the financial sector. In addition to his role in Smart Finsec Ltd, he is also a Promoter and Director of Smart Equity Brokers Private Limited and Smartgain Capital Management Private Limited.

He was initially appointed as Managing Director of the Company w.e.f. Feb 02, 1995 and since then he has continued to discharge his duties in the capacity as the Managing Director. His recent tenure as the Managing Director of the Company was from May 01, 2019 to April 30, 2024, which was duly approved in the 24th Annual General Meeting of the Company held on September 30, 2019.

Considering Mr. Khera's experience, qualification and contribution to the performance of the Company, the Board of Directors, subject to the approval of the shareholders, re-appointed Mr. Arun Khera as the Managing Director for another term of five (5) years with effect from May 01, 2024 on recommendation of Nomination and Remuneration Committee of the Company ("NRC"). The proposal for his re-appointment was placed before the shareholders at the 29th Annual General Meeting held on September 27, 2024.

However, resolution for the said appointment proposed by way of Ordinary Resolution, did not receive the requisite majority vote.

In view of the above and to reaffirm the confidence of the shareholders and remove any ambiguity, the matter was reconsidered by the NRC and the Board at their respective meetings held on August 28, 2025. After detailed deliberations, the following factors were taken into consideration:

- i. Mr. Khera's significant contribution to the growth and strategic direction of the Company over the years has been acknowledged consistently. His deep industry knowledge, foresight, and commitment have positioned the Company for long-term success.
- ii. During his previous tenure, Mr. Khera served the company without drawing any remuneration, including fixed salary, perquisites, or variable commission, demonstrating his commitment to the Company's long-term interests.
- iii. Despite the severe impact of the pandemic, during the financial year 2020-2021 the Company achieved a profit before tax of Rs 44.37 lakhs and generated revenue from operations of Rs 2,322 lakhs, reflecting the strength and resilience the Company has built over the years under the direction of Mr. Khera.

Moreover, under Mr. Arun Khera's guidance, the Company has witnessed growth both in terms of revenue & profits. The below table reflects the Company's performance on a standalone basis over the past four years:



Particulars	2021	2022	2023	2024
Net Worth	1201.74	1330.77	1351.40	1446.56
Revenue from operations	2322	5081.98	3075.47	2507.1
Profit before tax	44.37	454.95	191.91	308.75
Net Profit	44.75	345.83	141.24	236.53

Thus, after considering the above-stated factors, the Board, subject to the approval of the shareholders of the Company, based on the recommendation of the Nomination and Remuneration Committee approved the appointment of Arun Khera as Managing Director of the Company for a period of five (5) years in the best interest of the Company.

The key terms of Mr. Arun Khera's appointment are set out below:

- a) Term: Five (5) years with effect from 29th August, 2025 till 28th August, 2030.
- b) Remuneration: Mr. Arun Khera will not be not entitled to any remuneration including fixed salary, perquisites, bonus/commission.
- c) Other Term and Conditions:
 - i.) The terms and conditions of appointment of the Managing Director may be altered and varied from time to time by the Board in such manner as may be recommended by Nomination, Remuneration Committee, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.
 - ii.) No sitting fees will be paid to the Managing Director for attending meeting of the Board of Directors or any Committee thereof.
 - iii.) His office shall be liable to determination by retirement of directors by rotation.

Accordingly, shareholders' approval is sought again for the appointment of Mr. Arun Khera as Managing Director of the Company.

Mr. Arun Khera is not disqualified from being appointed as Director in the terms of Section 164 of the Companies Act, 2013 and has given consent in writing to act as Managing Director.

Mr. Arun Khera is interested in the said resolution, which pertains to his re-appointment. Mr. Sachit Khera, son of Mr. Arun Khera and the other relatives of Mr. Arun Khera may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of members.

**Annexure-I****Details of Directors Seeking Appointment/Re-Appointment at the Annual General Meeting**

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

Name	Mr. Arun Khera	Mr. Sachit Khera
DIN	00055694	03536957
Date of Birth	10/07/1965	28-06-1990
Age	60	35
Qualifications	CA and M.com	CA and B.Com
Date of first appointment on the Board	02/05/1995	11/01/2022
Brief Resume (Including expertise in specific functional area)	Mr. Arun Khera is a Member of the Institute of Chartered Accountants of India and also holds Master of Commerce. He has over 25 years of experience in the field of finance, accounting and securities market.	Mr. Sachit Khera is a Member of the Institute of Chartered Accountants of India and also holds Bachelor's degree in Commerce (B.Com). He is having more than 10 years of experience in the field of finance, accounting and capital market operations.
Terms and conditions of the appointment / reappointment	Appointment as a Managing Director, liable to retire by rotation, for 5 (five) years with effect from August 29, 2025 till August 28, 2030.	Director liable to retire by rotation and eligible for re-appointment
Details of remuneration sought to be paid	Nil	Nil
Details of remuneration last drawn	Nil	Nil
Directorships held in other companies	1. Smart Equity Brokers Private Limited 2. Smartgain Capital Management Private Limited	1. Smart Equity Brokers Private Limited 2. Smartgain Capital Management Private Limited 3. Saheli Trading Private Limited 4. Khushal Investments Private Limited
Membership / Chairmanship of committees in other companies	Nil	Nil
Listed entities from which the Director has resigned in the past three years	Nil	Nil
Disclosure of relationships between directors inter-se;	Mr. Arun Khera is a father of Mr. Sachit Khera.	Mr. Sachit Khera is a son of Mr. Arun Khera
Details of Board Meetings attended by the Directors during FY 2023-24	5/7	6/7
No. of Shares held in the Company	83,85,270 Equity Shares of Rs. 1/- each	9,00,000 Equity Shares of Rs. 1/- each