#### KONARK SYNTHETIC LIMITED

CIN: L17200MH1984PLC033451

Date: 8th September 2025

Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email: <a href="mailto:info@konarkgroup.co.in">info@konarkgroup.co.in</a>; Website: <a href="mailto:www.konarkgroup.co.in">www.konarkgroup.co.in</a>

KSL/Sec/Reg-AGM 2025-26

To,
Department of Corporate Affairs,
BSE LIMITED,
P.J Towers, Dalal Street,
Mumbai – 400001

BSE Scrip Code: 514128

Dear Sir/Madam,

<u>Sub: - Notice of Annual General Meeting and Annual Report of the Company for the Financial Year ended 31st March, 2025.</u>

Ref: 1. Regulation 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the Annual Report of the Company for the financial year ended 31st March, 2025 along with the Notice convening the 41<sup>st</sup> Annual General Meeting (AGM) to be held on Tuesday, September 30, 2025 at 3:30 p.m. at the Registered Office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400059 to transact the Ordinary business and Special Business set out in the Notice dated 5<sup>th</sup> September, 2025.

We request you to kindly take the same on record.

This may be taken as compliance under the Listing Regulations.

Thanking you,

Yours faithfully,

For KONARK SYNTHETIC LIMITED

Mr. Shonit Dalmia Managing Director DIN: 00059650

Encl: as above

41st ANNUAL REPORT 2024-25

# KONARK Konark Synthetic Limited



#### **BOARD OF DIRECTORS AND KMPs**

Mr. Shonit Dalmia Mr. Anshul Agrawal Ms. Priyanka Jha Mr. Riyazuddin Khan Mr. R. B. Somany

Prerna Goyal

Non Executive Non Independent Director . Non- Executive Women Independent Director Non-Executive Independent Director

Chief Financial Officer

Managing Director

Company Secretary & Compliance Officer (appointed w.e.f 10.02.2025)

#### STATUTORY AUDITORS

M/s Bhuwania & Agrawal Associates

Chartered Accountants, Mumbai

#### **SECRETARIAL AUDITORS**

M/s. KRS AND CO.

Company Secretaries, Thane

#### **INTERNAL AUDITORS**

M/s. Kamlesh Duggar & Co.,

Chartered Accountants, Mumbai

#### **BANKERS**

Union Bank of India

#### **REGISTERED OFFICE**

Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Andheri (East), Mumbai – 400059 Tel No.: 022-4089 6300 Fax No.: 022-4089 6322 Email: info@konarkgroup.co.in

Email: info@konarkgroup.co.in Website: www.konarkgroup.co.in

#### **REGISTRAR AND SHARE TRANSFER AGENT**

#### Purva Sharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,

Lower Parel (East), Mumbai – 400011

Tel No.: 022-23018261/6761 Fax No.: 022-23012517 Email: busicomp@vsnl.com

#### **PLANT LOCATIONS**

#### SILVASSA UNIT

Plot No. 25,

Silvassa Industrial Co-op. Soc.,

66 KVA Sub Station Road, Village

Amli, Dist.: Silvassa - 396230. (UT of Dadra & Nagar Haveli)



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#### KONARK SYNTHETIC LIMITED

CIN: L17200MH1984PLC033451

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#### NOTICE

Notice is hereby given that the 41<sup>st</sup> Annual General Meeting of the members of **KONARK SYNTHETIC LIMITED** ("the Company") will be held on Tuesday, 30th day of September, 2025 at 3.30 p.m. at the Registered Office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400059 to transact the following businesses:

#### **ORDINARY BUSINESS:**

 To receive, consider and adopt (a) the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the reports of the Directors' and Auditors' thereon; and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the reports of Auditors' thereon and in this regard, if thought fit, pass the following resolution as an

#### **ORDINARY RESOLUTION:**

- (a) "RESOLVED THAT the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors' and Auditors' thereon be and are hereby received, considered and adopted."
- (b) "RESOLVED THAT the Consolidated Audited Financial Statements for the financial year ended 31st March, 2025 together with the Auditors' Report thereon be and are hereby received, considered and adopted."
- 2. To appoint a Director in place of Mr. Shonit Prakashchand Dalmia Managing Director (DIN: 00059650), who retires by rotation offers himself for reappointment.

#### **SPECIAL BUSINESS:**

3. RE-APPOINTMENT OF MR. SHONIT DALMIA (DIN: 00059650) AS MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, approval of the members be and is hereby accorded to appoint Mr. Shonit Dalmia (DIN:00059650), as Managing Director of the Company for a term of 3 (three) years commencing from 14th August, 2025 to 13th August, 2028 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening this meeting, as approved by the Nomination & Remuneration Committee with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Shareholders, if so required, in accordance with the provisions of the Companies Act, 2013:

RESOLVED FURTHER THAT any of the director(s) of the Company be and is hereby severally authorized to do all such acts, deeds and things and to sign all such forms, documents and writings as may be necessary, proper or expedient to give effect to this resolution.

Place: Mumbai

Date: 5th September 2025

By Order of the Board of Directors

For Konark Synthetic Limited

Registered office: Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059 Mr. Shonit Dalmia Managing Director (DIN: 00059650)



#### NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BELODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBER(S) NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER. ACCORDINGLY, THE FACILITIES FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL BE AVAILABLE FOR THE AGM AND HENCE PROXY FORM AND ATTENDANCE SLIP ARE ANNEXED TO THIS NOTICE.
- Corporate Members are requested to send duly certified copy of the Board resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through e-voting).
- Members, Proxies and Authorised Representatives are requested to bring the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DPID and Client ID / Folio No.
- 4. 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.
- 5. The Company has engaged the services of Central Depositories Services Limited (CDSL) to provide e-voting facility for the AGM.
- 6. In terms of Section 152 of the Act, Mr. Shonit Prakashchand Dalmia (DIN: 00059650), Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment
- 7. Pursuant to Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard- 2 on "General Meetings" the particulars of Directors seeking appointment at the ensuing 41st Annual General Meeting is annexed to the notice.
- 8. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday**, **24**<sup>th</sup> **September**, **2025 to Tuesday**, **30**<sup>th</sup> **September**, **2025 (both days inclusive)**.
- 9. The Register of Directors and Key Managerial Personnel and their Shareholdings maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, and relevant documents referred to in the accompanying notice and statements are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will be open for inspection during the Annual General Meeting also.
- 10. Members desirous of obtaining any information about the accounts and operations of the Company are requested to address their queries at <a href="mailto:cs@konarkgroup.co.in">cs@konarkgroup.co.in</a> at least seven days in advance of the meeting to enable the Company to provide the information required at the meeting.
- 11. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar & Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd for consolidation of all such shareholding into one folio to facilitate better services.
- 12. Members holding shares in physical form are requested to intimate any change in their address or bank mandates immediately to the Company's Registrar & Share Transfer Agents (RTA), viz. Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai 400011 quoting their Folio Number and Bank Account details along with self-attested documentary proof. Members holding shares in Demat form may update such details with their respective Depository Participants.
- 13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Purva Sharegistry (India) Private Limited (Company's Registrar and Share Transfer Agent / RTA) and complete their Know Your Client ("KYC") formalities as mandated by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

Non Resident Indian members are requested to inform to the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.

14. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar & Share Transfer



Agents (RTA), viz. Purva Sharegistry (India) Pvt. Ltd in this regard.

- 15. In terms of relaxations granted by SEBI vide Circular NoSEBI/HC>/CFD/CFD-PoD-2/P/CIR/2023/167 October 07, 2023, sending hard copy of the Annual Report for the financial year 2024-25 to shareholders who have not registered their email ids with the Company/RTA/Depository has been dispensed with. Therefore, Annual Report 2024-25 including Notice shall be sent by email to those shareholders whose email ids are registered with the Company/RTA/Depository. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website at <a href="https://konarkgroup.co.in/annual-reports/">https://konarkgroup.co.in/annual-reports/</a>, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the website of CDSL at www.evotingindia.com. Members who have not registered their email address with the Company can register the same by following the procedure as mentioned below in point no. 20. Company shall send hard copy of the Annual Report 2024-25 to the members who request for the same in writing. As per provisions of Section 72 of the Companies Act 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in single name and physical form are advised to make nomination in the prescribed form SH-13 with RTA and in respect of shares held in demat form, the nomination form may be filed with their respective DPs.
- 16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

Further, the SEBI has vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November 2021 and SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 and has introduced common and simplified norms for processing investor's service request by the Registrar and Share Transfer Agents. Accordingly, all holders of physical securities of the Company are requested to mandatorily furnish/ update the following documents / details with the RTA i.e. Purva Sharegistry (India) Private Limited as soon as possible, failing which all the incomplete folios of such shareholders shall be frozen:

- PAN
- Nomination
- Contact Details including Postal address with PIN code, Mobile Number, E-mail address
- Bank Account details including Bank name and branch, Bank account number, IFS code
- Specimen Signature

Members are hereby requested to visit website of the Company <a href="www.konarkgroup.co.in">www.konarkgroup.co.in</a> to download the necessary forms for updation of their details in the records of the Company and the RTA.

- 17. The Notice of the 41st Annual General Meeting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/Depository Participants.
- 18. Route Map for the venue of the 41st Annual General Meeting of the Company is appearing at the end of the Annual Report.
- 19. Information and other instruction relating to e-voting process
  - (a) Pursuant to 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 and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 41st Annual General Meeting to be held on Tuesday, 30th September, 2025. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.
  - (b) The facility for voting through polling papers shall also be made available at the venue of the 41st Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend and participate at the meeting, but shall not be entitled to cast their vote again.
  - (c) The remote e-voting shall commence on Saturday 27<sup>th</sup> September, 2025 (9.00 A.M.) and ends on Monday, 29th September, 2025 (5.00 P.M.) During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 24<sup>th</sup> September, 2025, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - (d) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. **Wednesday**, 24<sup>th</sup> **September**, 2025.
  - (e) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Wednesday, 24<sup>th</sup> September, 2025 only shall be entitled to avail the facility of remote e- voting and voting at Meeting through polling papers.

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- (f) The Board of Directors of the Company has appointed CS Abhishek Wagh, Company Secretary having Mem No. A65319 and COP No. 26968, proprietor Abhishek Wagh & Associates., Company Secretaries, Mumbai, as scrutinizer to conduct and scrutinize the voting through polling papers and remote e-voting in a fair and transparent manner.
- (g) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cutoff date i.e. Wednesday, 24th September, 2025, may obtain the User ID and password by sending a request at
  helpdesk.evoting@cdslindia.com\_or cs@konarkgroup.co.in\_. However, if the member is already registered with CDSL for remote
  e- voting then he can use his exiting user ID and password for casting the vote through e-voting. If you forgot your password, you
  can reset your password by using "Forgot User Details/Password" option available on www.evotingindia.com or contact CDSL at
  the following toll free no.: 1800-200-5533.
- (h) The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be done, allow voting with the assistance of scrutinizer, by use of "Polling Papers" to all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (i) The Scrutinizer after conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting.
- (j) Thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of conclusion of the Annual General Meeting, issue a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (k) The result declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company <a href="https://konarkgroup.co.in/e-voting/">https://konarkgroup.co.in/e-voting/</a> and on the website of the CDSL https://www.evotingindia.com/ immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited.
- (I) Subject to receipt of requisite number of votes in favour, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. Tuesday, 30th September, 2025.

#### A) Procedure/ Instructions for e-voting are as under:

- 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 Saturday 27th September, 2025 (9.00 A.M.) and ends on Monday, 29th September, 2025 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, 24th September, 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings 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 CDSL	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 cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab.
Depository	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 <a href="https://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	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 or joining virtual meeting & voting during the meeting.
	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>
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4) Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.  NSDL Mobile App is available on
	App Store Google Play

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5) 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 company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

# Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)

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

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

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

Login type Individual Shareholders holding securities in Demat mode with CDSL	Helpdesk details  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 22 55 33
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 e-Voting and joining virtual meetings 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.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - 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 <a href="www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:



#### For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN

Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

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.

Details

Dividend Bank 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.

OR Date of Birth (DOB)

- 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.
- (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
- (ix)Click on the EVSN for the relevant < Konark Synthetic 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.
- 20. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOROBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:
- 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 support@purvashare.com
- 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 through Depository.



In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 "General Meetings", details of directors seeking appointment/re-appointment at ensuing Annual General Meeting are as follows:

Name of Director	Mr. Shonit Prakashchand Dalmia
Director Identification No. (DIN)	00059650
Date of birth	30/03/1984
Date of First appointment on the Board	14/08/2021
Qualification	He is a Commerce Graduate and has a master degree from UK.
Experience/Expertise in specificfunctional area/Brief Resume	He has over 15 years of experience in Business Management.  Mr. Shonit Dalmia has managed the Company ably since over a period of more than 18 years. In the opinion of the Board, he is eminently suited for the position he holds.
Shareholding in the Company (Equityshares of Rs. 10/- each)	11,26,475 Shares
List of Directorship in other Listed entities	NIL
Membership/Chairmanship of Committees of other listed entities (includes only Audit Committee and Stakeholder's RelationshipCommittee)	NIL
Details of Listed Entities from which the person has retired in past three years	NIL
No. of Board Meetings attended during the Financial year 2024-25	12
Terms and Conditions of appointment/ reappointment	Liable to retire by rotation.
Remuneration to be paid (ifapplicable)	Upto 3,00,000 pm
Relationship with any Director (s) ofthe Company	Not related

Place: Mumbai

Date: 5<sup>th</sup> September 2025

By Order of the Board of Directors For Konark Synthetic Limited

Registered office: Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059 Mr. Shonit Dalmia Managing Director (DIN: 00059650)



# ANNEXURE TO NOTICE – EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF SEBI (LODR), 2015

#### Item No. 3

The Board of Directors of the Company (the 'Board'), on the recommendation of Nomination and Remuneration Committee at its meeting held on 14th August, 2025 re-appointed Mr. Shonit Dalmia (DIN: 00059650) as Managing Director of the Company for a period 3 (three) Consecutive year w.e.f 14th August, 2025 to 13th August, 2028 subject to ratification of appointment by shareholders in the ensuing Annual General Meeting. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Shonit Dalmia as Managing Director. Accordingly, in view of the above the Board of Directors of the Company has, based on the recommendation of the Nomination and Remuneration Committee at its meeting held on August 14, 2025 proposed the appointment of Mr. Shonit Dalmia (DIN: 00059650) as Managing Director of the Company for a period of 3 years from 14th August, 2025 to 13th August, 2028 subject to the approval of the shareholders. Further, the Nomination and Remuneration Committee at its meeting held on 14th August, 2025 recommended the remuneration to be paid to Mr. Shonit Dalmia (DIN: 00059650) for the period from 14th August, 2025 to 13th August, 2028 under Section 196, 197, 198, 203, which was approved by the Board of Directors of the Company at their meeting held on 14th August, 2025 subject to the approval of the shareholders as under;

- I. Salary: not exceeding Rs. 3,00,000/- p.m. (Rupees Two Lakhs Fifty Thousand Per Month Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. Perquisites:

Perquisites: Rs. 3,00,000/- per annum, perquisites will be allowed in addition to salary and shall restrict to an amount equal to the annual salary. The perquisites are classified into three categories A, B and C.

#### Category - A

- 1) Housing
- 1.1. The expenditure by the Company on hiring furnished accommodation for the Managing Director will be subject to a ceiling of sixty percent of basic salary.
- 1.2. The expenditure by the Company on hiring furnished accommodation for the Managing Director will be subject to a ceiling of sixty percent of the basic salary, over and above ten percent payable by the Managing Director.
- 1.3. In case the Company provides no accommodation, the Managing Director shall be entitled to House Rent allowance of Rs.5000/ per month.

#### 2) Other Perquisites

- 2.1 The expenditure by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962
- 2.2 Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- 2.3 Leave travel concession: For self and family once in a year incurred in accordance with the rules specified by the Company.
- 2.4 Personal Accident Insurance: Of an amount, the annual premium which shall not exceed Rs. 15,000/- for the purpose of this category, family means spouse, the dependent children and dependent parents of the Managing Director.

#### Category - B

- 1) Provident Fund: Company's contribution to provident fund shall as per the scheme of the Company.
- 2) Superannuation/ Annuity Fund: Company's contribution to superannuation / annuity fund shall be in accordance with the scheme of the Company. Contribution to Provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent such contribution either singly or put together are not taxable under the Income Tax Act.
- 3) Gratuity: As per the rules of the Company, payable in accordance with the approved gratuity fund and which shall not exceed half a month's salary for each completed year of service.

#### Category - C

- 1) Car: Provision of car use on Company's business (not to be considered as perquisites).
- 2) Telephone: Telephone at the residence of Managing Director (not to be considered as perquisites).
- 3) The Managing Director shall be entitled to Annual privilege leave on full salary for a period of 30 days and shall be entitled to accumulate such leave.
- III. The information below is in relation to the proposal contained in item No.3. of the Notice relating to appointment of Mr.Shonit Dalmia as Managing Director of the Company.
  - I. General Information
  - (1) Nature of Industry:

The Company is in the business of Textile.

- (2) Date or expected date of commencement of commercial production:
- The Company has been in business for more than 30 years.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing

#### in the prospectus:

Not applicable, as the Company is an existing Company.



(4) Financial performance based on given indicators:

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(Amount	ın	K61

Particulars	31.03.2025	31.03.2024	31.03.2023
Sales(Gross)	46,73,56,307	43,60,44,089	47,26,37,462
Profit before Tax	(3,08,48,576)	15,27,911	(7,97,45,048)
Profit after Tax	(3,08,27,933)	12,77,911	(8,73,11,045)
Shareholders fund	2,01,750	3,09,82,932	2,93,42,000
Rate of dividend on equity	-	-	-
shares(%)			

- (5) Foreign investments or collaborators, if any: N. A.
- II. Information about the appointee:
- (i) Background details: Mr. Shonit Dalmia a Commerce Graduate and has a master degree from UK. He has over 15 years of experience in Business Management. Mr. Shonit Dalmia has managed the Company ably since over a period of more than 18 years. In the opinion of the Board, he is eminently suited for the position he holds.
- (iii) Recognition or awards/Job profile and his suitability:
- Mr. Shonit Dalmia has managed the Company ably since over a period of more than 15 years. In the opinion of the Board, he is eminently suited for the position he holds.
- (iv) Remuneration proposed:
- The remuneration of Mr. Shonit Dalmia is set out in point no.1.
- (v) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.:
- The remuneration of Mr. Shonit Dalmia is in tune with the remuneration in similar sized companies in similar segment of business.
- (vi) Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.:
- Mr. Shonit Dalmia is the promoter of the Company. He has equity holdings in the Company. He has no other pecuniary relationship directly or indirectly with the Company or any of its directors.

#### (III) Other Information

Reasons of inadequate profits: On account of current economic condition and intense competition in the Textile Industry there is a continued pressure on margins & profitability.

Steps taken or proposed to be taken for improvements:

The Company has undertaken several initiatives to identify new growth areas and simultaneously restructure existing growth engines. The Company has taken various steps to improve efficiency and reduce costs including right sizing of manpower.

#### V. Minimum remuneration:

In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Shonit Dalmia by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General

- VI. The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VII. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VIII. The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment however he shall be entitled to reimbursement of expenses in connection with the business of the company.
- IX. The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whosoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
- X. The agreement also sets out the duties and various obligations of Mr. Shonit Dalmia. The appointment of Mr. Shonit Dalmia by way of a special resolution, as a Managing Director and minimum remuneration payable to him are required to be approved by the Members.

As the above mentioned remuneration payable to Mr. Shonit Dalmia is well within the limits prescribed under Schedule V read with relevant provisions of Companies Act 2013, accordingly a special resolution is proposed for the appointment of and payment of remuneration to Mr. Shonit Dalmia for the approval of the shareholders.

Mr. Shonit Dalmia and his relative is interested in the resolution set out at item No. 3 of the Notice as it pertains to his reappointment as Managing Director of 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 the aforementioned resolution.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.



#### **DIRECTORS' REPORT**

To The Members Konark Synthetic Limited

Your Directors present the 41st Annual Report together with the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on 31st March 2025.

#### **FINANCIAL HIGHLIGHTS:**

(Rs. in Lakhs)

Sr.	Particulars	Standal	lone	Consolid	ated
No	•	For the Year ended 31st March,2025	For the Year ended 31st March,2024	For the Year ended 31st March,2025	For the Year ended 31st March,2024
1.	Total Revenue	4676.17	4468.68	4676.17	4468.68
2.	Total Expenses	4781.15	4451.78	4781.15	4451.78
3.	Profit before Depreciation & Amortization expenses, Finance Cost and Tax	271.25	441.59	271.25	441.59
	Less: Depreciation and Amortization Expenses	83.17	99.40	83.17	99.40
	Less: Finance Cost	293.06	325.31	293.06	325.31
4.	Profit before exceptional / extraordinary items and tax	(104.98)	16.89	(104.98)	16.89
5.	Share in Profit/(Loss) in Equity Accounted (Investments (Net of Tax)	-	-	(33.17)	2.31
	Less: Exceptional Item/ extraordinary items	(203.51)	(1.61)	(203.51)	(1.61)
6.	Profit before tax	(308.49)	15.28	(341.66)	17.59
	Less: Provision for tax (Including deferred tax)	(0.21)	2.50	(0.21)	2.50
7.	Profit after tax	(308.28)	12.78	(341.45)	15.09
8.	Less: Minority Interest	-	-	-	-
	Profit/Loss for the period after Minority Interest	(308.28)	12.78	(341.45)	15.09

#### **REVIEW OF BUSINESS OPERATIONS:**

During the year under review your company earned a revenue from operations of Rs. 4673.56 Lakhs as compared to Rs. 4360.44 Lakhs in the previous financial year. The company reported a loss of Rs. 308.28 Lakhs as Compared to profit of Rs. 12.78 lakhs in the previous financial year.

#### SHARE CAPITAL:

There was no change in Share Capital of the Company during the year 2024 - 25. As on 31st March, 2025, the **paid up share capital of the Company stood at Rs.5,80,80,000/- (Rupees Five Crores Eighty Lakhs and Eighty Thousand Only) divided into 58,08,000 Equity shares of Rs. 10/- (Rupee Ten Only) each.** 

#### **DIVIDEND:**

To conserve the resources for future business requirements of the Company, your Directors do not recommend any payment of dividend for the year under review.



#### TRANSFER TO RESERVES:

During the year the Company has not transferred any amount to General Reserves.

#### **CHANGE IN NATURE OF BUSINESS:**

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

#### **PUPLIC DEPOSITS:**

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

#### ANNUAL RETURN:

The Annual Return as referred in Section 134(3)(a) read with Section 92 (3) of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 the Annual Return in e-form MGT-7 for the financial year ended March 31, 2025 is placed on the website of the Company at <a href="https://konarkgroup.co.in/annual-return/">https://konarkgroup.co.in/annual-return/</a>.

#### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Mr. Shonit Prakashchand Dalmia (DIN: 00059650), Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

The Following changes took place in the composition of the Board and Key Managerial Personnel:

Mr. Nikunj Gatecha (Membership No. A57115) was appointed as Company Secretary and Compliance Officer of the Company w.e.f 12<sup>th</sup> October 2023 who subsequently resigned w.e.f 7<sup>th</sup> May 2024.

Mr. Prerna Goyal (Membership No..A38869) was appointed as Company Secretary and Compliance Officer w.e.f 10<sup>th</sup> February, 2025.

#### **DECLARATION OF INDEPENDENT DIRECTORS:**

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 along with code of conduct for all members of board in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Further during the year under review no Independent Director Resigned before the expiry of the Term.

#### MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year on 14th February, 2025, to review the following:

- Review the performance of Non-Independent Directors and the Board as a whole for the financial year 2024-2025
- Review the performance of the Chairperson of the Company, taking into consideration, the views of Executive Directors and Non-Executive Directors: and
- Assess the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.



### COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and also remuneration for Key Managerial Personnel and other employees is attached herewith and marked as 'Annexure I'.

#### ANNUAL PERFORMANCE EVALUATION BY THE BOARD:

The Board of Directors has conducted an annual assessment of its own performance, board committees, and individual directors pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR.

The board has sought inputs from all the directors based on the criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board concluded that all committees were discharging their functions effectively.

In separate meetings of independent directors held on 14<sup>th</sup> February 2025, the performance of non-independent directors, the Chairman, and the Board as a whole was evaluated. The same was also discussed in the meetings of Nomination and Remuneration Committee and the Board. Performance Evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The details of the programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: <a href="http://www.konarkgroup.co.in/investor relation/policies/Familiarisation programme">http://www.konarkgroup.co.in/investor relation/policies/Familiarisation programme</a> for Independent Directors.

#### MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board met 12 times during the financial year, the details of which are as under:

- 1. 20.04.2024
- 2. 30.05.2024
- 3. 14.08.2024
- 4. 02.09.2024
- 5. 04.09.2024
- 6. 05.09.2024
- 7. 25.10.2024 8. 30.10.2024
- 9. 14.11.2024
- 10. 10.02.2025
- 11. 14.02.2025
- 12. 05.03.2025

The time gap between board two board meeting did not exceeded 120 days.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors, to the best of their knowledge and belief and according to the information and explanation obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013, state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b. the directors have 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 as at 31st March, 2025 and of the loss of the company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the
  provisions of this Act 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 were 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.

#### PARTICULARS OF MANEGERIAL REMUNERATION AND OTHER DETAILS:

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as 'Annexurell'.

#### SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS:

As on 31st March 2025, the Company has one subsidiary company i.e. India Denim Limited.

The Company's subsidiary viz., India Denim Limited is under Corporate Insolvency Resolution Process as per the order number CP(IB) 361/AHM/2019 dated 22/09/2023 passed by the Hon'ble NCLT, Ahmedabad. The board of the company was suspended from the same date and the Interim Resolution Professional (IRP) was appointed for the same. The financial information/financial statements for the said company was not available and hence the profit/loss of the subsidiary company is not considered while preparing the Audited Consolidated Financial Results for the holding company. The company has already made full provision for the investment made in the same subsidiary company.

In accordance with the provision of Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company are available on our website <a href="www.konarkgroup.co.in">www.konarkgroup.co.in</a>. These documents will also be available for inspection at the registered office of the Company.

The Company has sold its entire investment in its associate company, Konark Infratech Private Limited on 30<sup>th</sup> October 2024. Consequently, as on 31<sup>st</sup> March, 2025, the Company does not have any Associate Company.

The company has no joint venture companies as on 31st March 2025.

Statement containing salient features of financial statements of Subsidiary and Associate Company in Form AOC-1 is annexed to this report as **Annexure III** 

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

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees. There are currently three Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

The Details of Number of Meetings held and composition of Committee is as under:

Audit Committee

The Audit Committee met 8 times during the year under review as under

- 1. 30.05.2024
- 2. 14.08.2024
- 3. 04.09.2024
- 4. 25.10.2024
- 5. 30.10.2024
- 6. 14.11.2024
- 7. 14.02.2025
- 8. 05.03.2025

The Composition of Audit Committee is as under:

Sr Name of the Member Designation No.

1. Mr. Riyazuddin Khan

Chairman and Non-Executive Independent

Director

Ms. Priyanka Jha Member & Non-Executive



Independent Women

Director

Mr. Anshul Agarwal Member and Non-Executive

Director

Nomination and Remuneration Committee

#### The Nomination and Remuneration Committee met 2 times during the year under review as under:

30.05.2024
 10.02.2025

3.

The Composition of Nomination and Remuneration Committee is as under:

Sr Name of the Member Designation

No.

1 Mr. Riyazuddin Khan Chairman and Non-Executive Independent

Director

2. Ms. Priyanka Jha Member & Non-Executive

Independent Women

Director

3.. Mr. Anshul Agarwal Member and Non-Executive

Director

#### Stakeholders' Relationship Committee

The Stakeholder Relationship Committee met four times during the year under review as under

1. 30.05.2024

2. 14.08.2024

3. 14.11.2024

4. 14.02.2025

The Composition of Stakeholder Relationship Committee is as under:

Sr Name of the Member Designation

No.

1. Ms. Priyanka Jha Chairman & Non-Executive

Independent Women

Director

2. Mr. Shonit Dalmia Member and Executive

Director

3. Mr. Anshul Agarwal Member and Non-Executive

Director

#### **RISKS AND AREAS OF CONCERN:**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-

business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. All major properties of the Company are insured.

# PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT 2013:

All transactions with the related parties entered during the year are ongoing and on arm's length basis. No Material Related Party Transaction was entered during the year by your Company as per Section 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC-2 is not applicable.

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

The details as required under Section 186 of the Companies Act, 2013 of loans and guarantee made by your Company during the financial



year 2024-25 are given under Notes to Accounts on financial statements. The Company has not made any investments during the year.

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

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

#### INTERNAL FINANCIAL CONTROL WITH REFRENCE TO THE FINANCIAL STATEMENTS:

The Company has Internal Financial Control System commensurate with the size, scale and complexity of its operations. The Company monitors and evaluates the efficacy and adequacy of internal control system in place, its compliance with operating systems, accounting procedures and policies.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

#### WHISTLE BLOWER/VIGIL MECHANISM POLICY:

The Company has a Vigil Mechanism / Whistle Blower Policy on our website www.konarkgroup.co.in. to deal with instance of fraud and mismanagement, if any. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. The details of the Vigil mechanism Policy is posted on the website of the Company at <a href="https://konarkgroup.co.in/wp-content/uploads/2016/04/Vigil-Mechanism-Policy.pdf">https://konarkgroup.co.in/wp-content/uploads/2016/04/Vigil-Mechanism-Policy.pdf</a>. We affirm that during the financial year 2024- 25 no employee or director was denied access to the Audit Committee.

#### STATUTORY AUDITORS:

The Members at the 37th Annual General Meeting of the Company held on 30th September, 2021, appointed M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants, Mumbai (FRN: 113675W), as Statutory Auditors of the Company for a period of 5 (five) years and who shall hold such office from the conclusion of 37th Annual General Meeting till the Conclusion of 42nd Annual General Meeting to be held for the financial year 2025-26. M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants and Statutory Auditors of the Company tendered their resignation w.e.f 14th August, 2023 for non-acceptance of their request by the Audit Committee and the Board for increase in remuneration for carrying out audit services from the financial year 2023-24 onwards. Accordingly, the Board of Directors of the Company at their meeting held on 5th September, 2023,on the recommendation of Aduit Committee approved and recommended the appointment of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI, as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors. Accordingly the members of the Company at the 39th Annual General Meeting held on Saturday 30th September, 2023 approved the appointment of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI, as Statutory Auditors to fill the casual vacancy and to hold such office from 15th August, 2023 till the conclusion of 39th Annual General Meeting of the Company. M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai, had given their consent and eligibility to this effect.

Further, the term of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 Issued by Peer Review Board of ICAI as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors was expiring at the conclusion of 39th Annual General Meeting and being eligible have given their consent and eligibility for appointment as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of 39th Annual General Meeting.

The Members of the Company at the 39<sup>th</sup> Annual General Meeting accorded their approval to the appointment of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai havingFRN: 101483W and Peer Review Certificate No.014197 issued by Peer Review Board of ICAI as Statutory Auditors for a period of 5 (five) years from the conclusion of 39<sup>th</sup> Annual General Meeting till the conclusion of 44<sup>th</sup> Annual General Meeting.

#### **SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial (Personnel) Rules, 2014, the Company has Appointed M/s. KRS AND CO, Company Secretaries, Thane, I undertake Secretarial Audit of the Company for the year 2024 - 25. The Secretarial Audit Report is annexed herewith as 'Annexure IV' and forms part of this report.

#### **INTERNAL AUDITOR:**

The Company had appointed M/s. Kamlesh Duggar & Co., Chartered Accountants, Mumbai as its Internal Auditor for the financial year 2024-25.



As per Section 148 read with Companies (Audit & Auditors) Rules, applicable to cost auditors, the company was not liable to appoint Cost auditors for the financial year 2024-25.

#### **REPORTING OF FRAUD BY AUDITORS**

During the year under review, the Statutory Auditors, and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

#### REMARKS ON QUALIFICATION BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS:

The Statutory Auditors' report does not have any qualification and the same is self-explanatory.

Further, the observations of Secretarial Audit Report for the year under review is as under along with the reply of the Management of the Company

- Pursuant to Regulation 6 (1A) of SEBI (LODR) Regulation 2015 there is delay of 187 Days for appointment of a Qualified Company Secretary as Compliance Officer of Company.
  - Reply: With reference to the observation regarding delay of 187 days in the appointment of a Qualified Company Secretary as Compliance Officer pursuant to Regulation 6(1A) of SEBI (LODR) Regulations, 2015, the Board clarifies that the delay was primarily due to non-availability of suitable candidate during the period. The Company had made continuous efforts to identify and appoint a qualified professional including but not limited to posting vacancy on ICSI and interviewed various candidates, and the position has since been duly filled. The Board assures that necessary steps are being taken to ensure timely compliance in future.
- 2. Pursuant to the provisions of Regulation 33 (2) and (3) of SEBI (LODR) Regulation 2015 there was a delay of 20 days in approval and submission of un-audited consolidated financial results for the quarter ended nine month ended 31st December 2024.
  - Reply: The Company did not receive financial data from the Associate Company in which it has sold its entire shareholding informed via intimation dated 30<sup>th</sup> October, 2024. The delay was an instance that was beyond the control of the company and primarily due the transition process. The Board assures that necessary steps have been taken to strengthen internal processes to ensure timely compliance in future.
- 3. The Company has extended interest free loan to its Subsidiary Company (India Denim Limited) and there is no stipulation on the repayment of the said loan. The same is not in compliance in terms of Regulation 186(7) of the Companies Act 2013.
  - Reply: Considering the financial condition of the subsidiary company the Company extended interest free loan.

#### REPORT ON CORPORATE GOVERNANCE:

As per Schedule V Part C of Listing obligation and disclosure requirements, the provision of corporate governance is not applicable to the Company as equity share capital of the company does not exceed 10 crores and net worth of the Company does not exceed 25 Crore as on last previous Financial Year.

Note – As per Schedule V Part C [(10) (i)] of Listing obligation and disclosure requirements, Company does not require to take certificate of 'Non- Disqualification of Director' from practicing Company Secretary.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is annexed under **Annexure VI** to this report.

## INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

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

Details regarding conservation of energy, technology absorption, foreign exchange earnings and outgo is given in 'Annexure V'.



#### COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

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

#### **CORPORATE SOCIAL RESPONSIBILITY:**

Provisions Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company during the year under review.

#### **Listing Fees:**

The Company is Listed on BSE Limited. The Company has paid the Listing Fees for the Financial Year 2024-25.

#### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

The Business Responsibility and Sustainability Report (BRSR) is not applicable to the Company as it is not included in the top 1000 listed entities by market capitalization as on 31st March 2025. While the formal requirements of BRSR do not apply, the Company remains committed to maintaining high standards of business responsibility and sustainability in its operations.

#### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

#### Transfer of unclaimed dividend to IEPF

Since there is no unclaimed/ un-paid dividend with the Company, no amount was transferred from the Unclaimed Divided Account to the Investor Education and Protection Fund (IEPF) established by the Central Government during the Financial Year 2024-25.

#### Transfer of shares to IEPF

In accordance with Section 124 of the Companies Act, 2013 no equity shares, has been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the Financial Year 2024-25.

#### **OTHER DISCLOSURES**

The company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same is not applicable.

No application has been made under Insolvency and Bankruptcy Code: hence requirement to disclose the details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable to the Company.

The requirement to disclose the details of difference between amount of valuation done at the time of one time settlement and valuation done while taking loan from the Banks and Financial Institutions along with the reasons thereof is also not applicable.

#### **ENHANCING SHAREHOLDER VALUE**

Your company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organizational vision is founded on the principles of good governance.

#### **CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations.. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of Raw Materials, Finished Goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors.

#### **ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their sincere appreciation for the assistance and co-operation received from all the Government departments, Banks, Financial Institutions, other business constituents and members during the year under review and also look forward to their continued support in the future.



Your Directors also wish to place on record their deep appreciation for the committed services of the employees of the Company.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Place: Mumbai

Date: 5<sup>th</sup> September, 2025

Anshul Agrawal Non Executive Director (DIN: 02060092) Shonit Dalmia Managing Director (DIN: 00059650)



#### Annexure I

#### POLICY ON CRITERIA FOR APPOINTMENT OF DIRECTORS, EVALUATION OF PERFORMANCE AND REMUNERATION

#### **OBJECTIVE OF THE POLICY:**

The Policy on Appointment of Directors, Evaluation of Performance and Remuneration, is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

This Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors of Konark Synthetic Limited.

#### CRITERIA FOR APPOINTMENT OF DIRECTORS:

The criteria for appointment of a person as a Director on the Board of Directors of the Company are given below:

#### **Appointment of Directors:**

The Company shall appoint only those persons who possess formal qualification, relevant experience, proven track record, integrity etc.

#### Qualifications:

Any person to be appointed as a Director on the Board of Director of the Company, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of textile, logistic, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.

Any person to be appointed as an Independent director shall also fulfill the criteria of Independence as laid down under Section 149(6) of Companies Act, 2013.

Further, any Director who is proposed to be appointed as a member of the Audit Committee shall also possess the following additional qualifications:

- He/she should be financially literate, which means he/she possess the ability to read and understand basic financial statements i.e. Balance Sheet, Profit and Loss Account and Cash Flow Statement;
- 2. He/she should have accounting or related financial management expertise. A person will be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting or requisite professional certification in accounting, or any other comparable experience or background which results in the financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

#### Experience:

Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance. Prior experience of being a Chief Executive Officer, Managing Director or a Whole-time director of any company shall be given utmost importance while considering appointment.

#### Positive attributes:

The person to be appointed as a Director of the Company shall not only possess the relevant formal qualifications and experience but shall also possess attributes like integrity and proven track record and shall demonstrate commitment to the organization.

For assessing the integrity and suitability features like past criminal records, financial position, refusal of admission to or expulsion from professional bodies and previous questionable business practices etc. shall be considered.

A person shall not be to appointed as Director if he/she possesses the disqualification as contained under Section 164 (1) of the Companies Act, 2013.

The Committee is requested to consider and recommend the same to the Board for approval.

#### **CRITERIA FOR FIXING THE REMUNERATION:**

The Nomination and Remuneration Committee determines and recommends to the Board a policy relating to remuneration for directors, key managerial personnel and other employees.

#### **GUIDING PRINCIPLES:**



The Nomination and Remuneration Committee while deciding the remuneration package for directors, key managerial personnel and other employees shall take not only take into consideration the legal provision of Section 197 of the Companies Act, 2013 but also the following items;

- 1. Compensation will be a major driver of performance;
- 2. Compensation will be competitive and benchmarked with a select group of companies from the Industry;
- 3. Compensation will be transparent, fair and simple to administer;
- 4. Compensation will be based on employment scenario in the Industry;
- 5. Compensation will be tax friendly and legally complaint.

#### **CRITERIA FOR MAKING PAYMENTS TO SENIOR MANAGEMENT:**

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

#### **CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

The remuneration to non-executive directors is linked with the relevant market performance, balance between financial and sectoral market, comparative scales, alignment to corporate goals, roles assumed and number of board meetings attended, contribution at the Board and committee meetings and time spent on the operational matters other than at the meetings.

The Non-Executive Directors (NEDs) will be paid remuneration by way of Commission and Sitting Fees:

- The Company may pay sitting fees per meeting to the Non-Executive Directors (NEDs) for attending the meetings of the Board, Committee of the Board, Remuneration & Nomination Committee, Audit Committee, Stakeholders Committee etc. constituted by the Board from time to time and:
- 2. The Commission will be paid out of the net profits of the company at a rate not exceeding the rate as mentioned under section 197 of the Companies Act, 2013 and relevant rules as may be applicable from time to time.
- 3. The Company will also reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings.
- 4. The distribution of Commission amongst the Non-Executive Directors (NEDs) will be placed before the Board.
- 5. Severance compensation will be guided by the terms of appointment letter.

#### CRITERIA FOR PERFORMANCE APPRAISAL/ EVALUATION PROCESS OF INDEPENDENT DIRECTOR:

The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

#### **Guiding principles:**

The performance of the Independent directors as well as the performance of the entire Board along with its Committees shall be evaluated annually.

Performance evaluation of Independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

The Independent directors shall at the separate meeting without the attendance of non-independent directors and members of management shall:

- 1. review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Indicative lists of factors that may be considered while evaluating the Performance of directors are as follows:

- 1. How well prepared and well informed the directors are for the board meetings?
- 2. Whether the attendance of directors at meetings is satisfactory?
- 3. Do the directors show willingness to spend time and effort learning about the company and its business?



- 4. Are the directors willing to participate in events outside board meetings such as site visits etc.?
- 5. What has been the quality and value of director's contributions at board meetings?
- 6. What has been their contribution to the development of
  - (i) Strategy and (ii) Risk management
- 6. Compensation will be a major driver of performance;
- 7. Compensation will be competitive and benchmarked with a select group of companies from the Industry;
- 8. Compensation will be transparent, fair and simple to administer;
- 9. Compensation will be based on employment scenario in the Industry;
- 10. Compensation will be tax friendly and legally complaint.

#### **CRITERIA FOR MAKING PAYMENTS TO SENIOR MANAGEMENT:**

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

#### **CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

The remuneration to non-executive directors is linked with the relevant market performance, balance between financial and sectoral market, comparative scales, alignment to corporate goals, roles assumed and number of board meetings attended, contribution at the Board and committee meetings and time spent on the operational matters other than at the meetings.

#### The Non-Executive Directors (NEDs) will be paid remuneration by way of Commission and Sitting Fees:

- 6. The Company may pay sitting fees per meeting to the Non-Executive Directors (NEDs) for attending the meetings of the Board, Committee of the Board, Remuneration & Nomination Committee, Audit Committee, Stakeholders Committee etc. constituted by the Board from time to time and;
- The Commission will be paid out of the net profits of the company at a rate not exceeding the rate as mentioned under section 197 of the Companies Act, 2013 and relevant rules as may be applicable from time to time.
- 8. The Company will also reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings.
- 9. The distribution of Commission amongst the Non-Executive Directors (NEDs) will be placed before the Board.
- 10. Severance compensation will be guided by the terms of appointment letter.

#### CRITERIA FOR PERFORMANCE APPRAISAL/ EVALUATION PROCESS OF INDEPENDENT DIRECTOR:

The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

#### Guiding principles:

The performance of the Independent directors as well as the performance of the entire Board along with its Committees shall be evaluated annually.

Performance evaluation of Independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

The Independent directors shall at the separate meeting without the attendance of non-independent directors and members of management shall:

- 4. review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors:
- 6. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Indicative lists of factors that may be considered while evaluating the Performance of directors are as follows:

7. How well prepared and well informed the directors are for the board meetings?



- 8. Whether the attendance of directors at meetings is satisfactory?
- 9. Do the directors show willingness to spend time and effort learning about the company and its business?
- 10. Are the directors willing to participate in events outside board meetings such as site visits etc.?
- 11. What has been the quality and value of director's contributions at board meetings?
- 12. What has been their contribution to the development of
  - (i) Strategy and (ii) Risk management
- 13. How successfully the directors have brought their knowledge and experience to the benefit of the Company?
- 14. Where necessary, how firm are they in holding to their views and resisting pressure from others?
- 15. How effectively have they followed up matters about which they have expressed concern?
- 16. How good are their relationship with other board members, the company secretary and senior management?
- 17. How actively and successfully do they refresh their knowledge and skill?
- 18. How up-to-date they are with the latest developments in the areas such as the corporate governance framework, financial reporting and market conditions?
- 19. How well do they communicate with other board members, senior management and others? (e.g. shareholders)
- 20. Can they present their views convincingly, yet diplomatically?
- 21. Do they listen to the views of others?

#### DISCLOSURE OF INFORMATION:

The company shall disclose the Remuneration Policy in its Annual Report.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Place: Mumbai Date: 5<sup>th</sup> September, 2025 Anshul Agrawal Non Executive Director (DIN: 02060092) Shonit Dalmia Managing Director (DIN: 00059650)



#### **Annexure II**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

1A.) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the FY 2024-25:

Sr. No.	Name of Director	Designation	Ratio of remuneration to median remuneration	% increas e in the remune ration
Executive Dire	ectors			
1.	Mr. Shonit Dalmia	Managing Director	5.43	32.62
Key Manageri	al Personnels			
2.	Mr. R. B. Somany	Chief Financial Officer	3.22	-
3.	Ms. Prerna Goyal	Company Secretary & Compliance Officer	0.11	-

#### Notes:

The Company has not paid any remuneration to Non-Executive. Further no sitting fees for attending Board and Committee Meeting for the Financial Year 2024-25 is paid to Non-Executive Directors.

1B.) A break-up of median remuneration for employees is given below:

Employee Group	Median Remuneration (₹)*	Increase	In	Median
		Remune	eration	(%)
Full time Employees	4,84,739.32	5	9.74	

<sup>\*</sup>The number of permanent employees on the rolls of Company as of March 31, 2025: 28 Employees

- 2. The Company decides the remuneration of its Managerial Personnel on the basis of Cost to Company (CTC), whereas, under the provisions of the Act, the managerial remuneration is calculated as per the Income Tax Act, 1961. To provide the fair interpretation of median, the annual Cost to Company (CTC) has been considered and not actual payout during the year, which could vary on account of several reasons. The reported figures look higher or lower depending on the components of the CTC.
- 3. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile increase in salaries of employees other than managerial personnel in the last financial year i.,e 2024-25 was 5.60% ., while the average percentile increase in remuneration of managerial personnel was 32.62%

The increments given to each individual employee is based on the employees' performance and retention & motivation policy of the Company. Average Increase in the remuneration of employees other than the managerial personnel and that of the managerial personnel is in line with the industry practice and is within the normal range. There are no exceptional circumstances for increase in the managerial remuneration

4. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company confirms that the remuneration is as per the remuneration policy of the Company.



Place: Mumbai

Date: 5th September, 2025

For and on behalf of the Board of Directors For Konark Synthetic Limited

Anshul Agrawal Non Executive Director (DIN: 02060092)

**Shonit Dalmia** Managing Director (DIN: 00059650)



#### Annexure-III

#### Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures Part "A" Subsidiaries

(Rs. In Lakhs)

Particulars	India Denim Limited
Reporting Period	31/03/2025
Share Capital	1144.59
Reserves & Surplus	N.A.#
Total Assets	N.A.#
Total Liabilities	N.A.#
Investments (except in subsidiary companies)	-
Turnover	-
Profit/(Loss) before Taxation	N.A.#
Provision for Taxation	-
Profit/(Loss) after Taxation	N.A.#
Proposed Dividend	-
% of Shareholding	61.17%

- 1. Name of subsidiaries which are yet to commence operations - None
- 2. Name of subsidiaries which have been liquated or sold during the year - None

#### Part "B" Associates and Joint Ventures-

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company (Rs. In Lakhs)

Nar	ne of Associates	NIL
Late	est audited Balance Sheet Date	-
Sha	res of Associate held by the company on the year end	
i)	No. of shares held as on 31st March, 2025	-
ii)	Amount of Investment in Associates	-
iii)	Extend of Holding %	-
Des	cription of how there is significant influence	-
Rea	son why the associate is not consolidated	-
Net	Worth attributable to Shareholding as per latest audited Balance Sheet	-
Pro	fit / Loss for the year	-
1.	Names of associates or joint ventures which are yet to commence operations: None	

- Names of associates or joint ventures which have been liquidated or sold during the year: Konark Infratech Private Limited



# The Company's subsidiary viz., India Denim Limited is under Corporate Insolvency Resolution Process as per the order number CP(IB) 361/AHM/2019 dated 22/09/2023 passed by the Hon'ble NCLT, Ahmedabad. The board of the company was suspended from the same date and the Interim Resolution Professional (IRP) was appointed for the same. The financial information/financial statements for the said company was not available and hence the profit/loss of the subsidiary company is not considered while preparing the Audited Consolidated Financial Results for the holding company. The company has already made full provision for the investment made in the said subsidiary company.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Place: Mumbai Anshul Agrawal
Place: 5th September, 2025 (DIN: 02060092)

Shonit Dalmia Managing Director (DIN: 00059650)



# Annexure-IV Form No. MR-3 SECRETARIAL AUDIT REPORT OF KONARK SYNTHETIC LIMITED

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025

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

To, The Members, **Konark Synthetic Limited** 

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **KONARK SYNTHETIC LIMITED (CIN: L17200MH1984PLC033451)** (hereinafter called "The Company"). 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March**, **2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2025, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") the applicable and effective amendments and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:
- IV. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **not applicable for the period under review**
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period);
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);
- g. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the listed entity during the Review Period)

The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) The Factories Act, 1948.
- b) The Industrial Disputes Act, 1947.
- c) The Payment of Wages Act, 1936.
- d) The Minimum Wages Act, 1948.
- e) The Employee's State Insurance Act. 1948.
- f) The Payment of Bonus Act, 1972
- g) The Contract Labour (Regulation and Abolition) Act, 1970.
- h) The Apprentices Act, 1961.
- i) The Environmental (Protection) Act, 1986.
- j) The Public Liability Insurance Act, 1991.



- k) The Water (Prevention and Control of Pollution) Act, 1974.
- I) The Air (Prevention and Control of Pollution) Act, 1981.
- m) The Hazardous Waste (Management, Handling and Trans boundary Movements) Rules, 2008

I have also examined compliances with the applicable provisions of the following:

- a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above except for the following observation:

- Pursuant to Regulation 6 (1A) of SEBI (LODR) Regulation 2015 there is delay of 187 Days for appointment of a Qualified Company Secretary as Compliance Officer of Company.
- 2. Pursuant to the provisions of Regulation 33 (2) and (3) of SEBI (LODR) Regulation 2015 there was a delay of 20 days in approval and submission of un-audited consolidated financial results for the quarter ended nine month ended 31st December 2024.
- 3. The Company has extended interest free loan to its Subsidiary Company (India Denim Limited) and there is no stipulation on the repayment of the said loan. The same is not in compliance in terms of Regulation 186(7) of the Companies Act 2013.

#### I further report that:

The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive Director and Independent Directors. Further the changes that took place in the Composition of Board of Director and Key Managerial Personnel is as under:

 Mr. Nikunj Haresh Gatecha (Membership No. A57115) Company Secretary and Compliance Officer has resigned from the office of Company Secretary and Compliance officer of the Company w.e.f. 7th May 2024, Further the Board of Directors approved the appointment of Mrs. Prerna Gupta (Membership No. A38869) as Company Secretary and Compliance Officer of the company w.e.f. 10th February 2025.

The Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 applicable laws, rules, regulations and guidelines except certain e-forms were filed with late filing fees

I further report that the Company has given a Corporate Guarantee of Rs.2706.00 lakhs (P.Y. Rs. 2706.00 lakhs) to the bankers of is subsidiary company namely India Denim Limited, against Term Loan and Working Capital Facilities. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. Further as per the order number CP(IB) 361/AHM/2019 dated 22/09/2023 passed by the Hon'ble NCLT, Ahmedabad. Bench, India Denim Limited (Subsidiary Company) is admitted under Corporate Insolvency Resolution Process and the board of the company has suspended from the same date and the Interim Resolution Professional (IRP) was appointed for the same. Further Mr. R.B. Somany Managing Directors of India Denim Limited have appealed against the order of Hon'ble NCLT, Ahmedabad. Bench, in the National Company Law Appellate Tribunal, Principal Bench New Delhi. As on the date of signing this report the status of petition is "waiting for final order". The legal proceedings when concluded will have material impact on financial position of the Company as the amount of the liability of the company against the corporate guarantees are much higher than the total net worth of the company.

I further report that during the audit period the Company has taken the following actions or enter into events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Board of Directors of the Company at its meeting held on Wednesday 30th October 2024 approved the sale of 28,000 equity shares held in Konark Infratech Private Limited, an Associate Company, by transfer of company's entire investment in equity shares held in Konark Infratech Private Limited, through a Share Purchase Agreement. Consequently, Konark Infratech Private Limited ceased to be an associate company of Konark Synthetic Limited w.e.f. 30th October 2024.

I further report that during the audit period the company has not done any such events mentioned below:

- a. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- b. Redemption / buy-back of securities
- c. Merger / amalgamation / reconstruction, etc.
- d. Foreign technical collaborations



Date: 05.09.2025 Place: Thane

UDIN - A037829G001187395 Peer Review: 3967/2023 FRN: S2017MH469000 For KRS AND CO. Practicing Company Secretaries

Ketan Shirwadkar Proprietor ACS No.: 37829 CP No.: 15386

This report is to be read with my letter of even date which is annexed as Annexure 1 and forms an integral part of this report.



#### ANNEXURE - A

(To the Secretarial Audit Report of KONARK SYNTHETIC LIMITED for the financial year ended March 31, 2025)

To, The Members, Konark Synthetic Limited.

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

Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.

I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

Date: 05.09.2025
Place: Thane

UDIN - A037829G001187395 Peer Review: 3967/2023 FRN: S2017MH469000 For KRS AND CO. Practicing Company Secretaries

Ketan Shirwadkar Proprietor ACS No.: 37829 CP No.: 15386



#### Annexure V

Statement of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

#### **CONSERVATION OF ENERGY:**

#### A) Energy Conservation measures taken:

- > Taking continuous steps to conserve the energy and minimize energy cost at all levels.
- Monitoring the overall energy consumption by reducing losses and improving efficiencies.

#### B) Impact of the above measures:

- Continuous Energy Audit at plant for further improvements.
- > Reduction in the cost of production through minimizing breakdown by way of preventive maintenance and improvement in the product quality.

#### **TECHNOLOGY ABSORPTION:**

#### Research & Development (R & D):

- (i) Specific areas in which R&D is carried out by the Company: NA
- (ii) Benefits derived as a result of the above R&D: NA
- (iii) Future plan of action:
- Increased efforts for the development of new type of yarn to meet changing requirements of customers located all over the country and abroad.

#### **Expenditure on Research and Development:**

- Capital Expenditure Nil
- Recurring Expenditure Nil
- Percentage of Turnover Nil

#### **Technology Absorption, Adoption & Innovation:**

(i) Efforts in brief made towards technology absorption, adaptation and innovation.

Modification of process, equipment and products are carried out to suit changes in market requirement and to improve operational efficiency.

- (ii) Benefits derived as a result of above efforts:
- Increase in production, development of new products and cost reduction.
- Cost efficiency achieved with improvement in quality.
- New product introduced for suiting manufacturer.

#### FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in Lakhs)

Particulars	2024 – 25	2023-24
Foreign Exchange Earning	0	0
Foreign Exchange Outgo	0	0

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Place: Mumbai Date: 5<sup>th</sup> September 2025 Anshul Agrawal Non Executive Director (DIN: 02060092) Shonit Dalmia Managing Director (DIN: 00059650)



#### MANAGEMENT DISCUSSION AND ANALYSIS

#### 1. World Economy:

The global economy during the year continued to witness challenges arising from geopolitical uncertainties, volatility in energy prices, supply chain disruptions, and inflationary pressures. While advanced economies faced slowing growth due to tight monetary policies, emerging markets showed resilience driven by domestic demand. Overall, the global growth outlook remained subdued, with concerns around rising interest rates, currency fluctuations, and uneven recovery across regions.

#### 2. Indian Economy:

The Indian economy has remained one of the fastest growing major economies despite global headwinds. Growth was supported by government-led infrastructure spending, robust domestic consumption, and policy reforms. However, inflationary trends, high input costs, and global uncertainties had some impact on industrial production and exports. India's long-term prospects remain strong, supported by demographic advantages, digitalization, and continued focus on manufacturing and self-reliance initiatives.

#### 3. Global Textile:

The global textile industry witnessed a mixed trend during the year. While demand from developed markets slowed due to inflation and reduced consumer spending, emerging economies supported moderate growth. Rising raw material prices, particularly cotton and polyester, along with high freight and energy costs, put pressure on profitability across the textile value chain. Sustainability, recycling, and innovation in fabrics continue to be the focus areas for global players to remain competitive.

#### 4. Indian Textile:

The Indian textile industry faced challenges in exports due to weak global demand, high input costs, and currency volatility. However, domestic demand remained steady, supported by growth in apparel, home textiles, and technical textiles. Government initiatives such as Production Linked Incentive (PLI) schemes, support for MSMEs, and focus on modernization and sustainability are expected to strengthen the sector over the medium term. India continues to hold a competitive advantage in terms of skilled manpower, large raw material base, and presence across the textile value chain.

#### 5. Performance

The overall performance during the year 2024 - 25 was not satisfactory. The detail of financial performance is given in Directors Report.

#### **Business Review**

Our Company is setting for the positive growth. Despite competition at global level, there are positive signs for efficient and innovative companies and your company is set to follow the best practices to perform well.

#### Financial Review

During year under review Company's sales increased as compared to previous financial year 2023-24.

The Company is looking forward for change in present scenario and increase consumer confidence and grow market consumption along with other cost cutting measures including better finance control, working capital management, etc.

#### Outlook:

The market is expected to grow on the back of continued growth in domestic demand and high potential growth in exports. The management is confident of better performance from the financial year 2025-26 onwards.

#### 7. Risk and Concerns:

The exercise for evaluating the potential risks for the organization is closely monitored by the management. All identified risks have been classified with respect to their seriousness and probabilities of such risks getting materialized have also been ascertained. In formulating corporate strategies, these risks are duly considered and counter measures are adopted.

Every Sector has both internal & external risk and textile sector is no exceptional to it. Company monitors the external environment & manages the internal environment to mitigate the risks faced by the company.

#### 8. Internal Control System & Adequacy:

The Company has proper and adequate system of internal control to ensure that all the assets are safeguarded from loss, damage or disposition. The Company has independent Audit system to monitor the entire operations and the Audit Committee monitors financial statement to ensure that transactions are adequately authorized and recorded, and that they are reported correctly. The Board of Directors considers internal controls as adequate as it regularly review the findings and recommendations of internal audits.

#### 9. KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the company is



required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios.

Particulars	F.Y 2024 -25*	F.Y 2023 - 24	Change in Percentage
Debtors Turnover Ratio	3.26	3.85	0.15
Inventory Turnover Ratio	2.10	2.18	0.04
Interest Coverage Ratio	3.73	14.01	0.73
Net Profit Margin	(0.07)	0.29	1.23
Current Ratio	1.06	1.10	0.03
Return on Capital Employed	(0.03)	0.37	1.09
Return on Net worth	(197.34)	4.66	43.46

Note: 1. Above Financial Ratios are based on Standalone Financials of the Company.

#### 10. Human Resource Development:

Your Company gives utmost importance to Human Resource. It considers Human Resource as Human Capital and believes in development of Human Resource. Over the years, your Company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The key focus is to attract, retain and develop talent as a resource through rewards mechanism, performance evaluation and harmonious & constructive working climate. During the year 2024-25, the Company had 28 permanent employees on its payroll.

#### 11. Cautionary Statement:

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

For and on behalf of the Board of Directors
For Konark Synthetic Limited

**Shonit Dalmia** 

Place: Mumbai Anshul Agrawal
Place: 5th September 2025 (DIN: 02060092)

Director Managing Director (DIN: 00059650)



Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

In terms of the requirements of the Listing Obligation and Disclosure Requirements, Regulations 2015, Code of Conduct as approved by the Board of Directors of the Company I, Shonit Dalmia (DIN: 00059650) Managing Director on behalf of the board of directors and senior management of the Company hereby declare that all Board members and senior management personnel affirm compliance with the code on an annual basis for the period 31st March, 2025.

For and on behalf of the Board of Directors For Konark Synthetic Limited

> Shonit Dalmia Managing Director DIN No: 00059650

Place: Mumbai,

Date: 5th September, 2025

#### **DECLARATION ON CODE OF CONDUCT**

То

The Members of

#### **Konark Synthetic Limited**

I, Shonit Dalmia, Managing Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the financial year 2024-25.

For and on behalf of the Board of Directors For Konark Synthetic Limited

> Shonit Dalmia Managing Director DIN No: 00059650

Place: Mumbai,

Date: 5th September, 2025



To
The Board of Directors
Konark Synthetic Limited
Mittal Industrial Estate,
Bldg no 7 Saki Naka,
Andheri (East)
Mumbai – 400059

Sub.: Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Dear Sir(s).

- A. We hereby certify that the financial statements and the cash flow statement for the year ended 31st March, 2025 and that to the best of are knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
  - (1) Significant changes in internal control over financial reporting during the year, if any;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Konark Synthetic Limited

Shonit Dalmia Managing Director (DIN-00059650) R. B. Somany Chief Financial Officer

Place: Mumbai

Date: 5th September, 2025



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#### INDEPENDENT AUDITOR'S REPORT

#### To the members of KONARK SYNTHETIC LIMITED

Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of KONARK SYNTHETIC LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its losses, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Emphasis of Matter**

We draw attention to the following matters:

- a) The company' Trade Receivables includes Long Outstanding receivables of Rs.711.18 Lakhs from Mudra Denims Pvt Ltd. The said company is under Corporate Insolvency Resolution Process and the probability of recovery of the dues is minimal. The company has made an impairment provision in earlier years of Rs.177.79 Lakhs and have a net outstanding of Rs.533.39 lakhs as at Balance Sheet date. The impairment provision was made based on the management's estimate of prospect of recovery. However, In the absence of adequate evidence of recovery of the said dues, we are unable to comment on the realisability of the balance amount outstanding.
  - The company' Trade Receivables also includes Long Outstanding receivables of Rs.93.47 Lakhs from Shubhlakshmi Polyester Ltd. The company has not made any provision for impairment and claims 100% probability of recovery of dues from parties. However, In the absence of adequate evidence of recovery of the said dues, we are unable to comment on the realisability of the amount outstanding.
  - Despite of large amount of receivable, the company have not initiated any legal proceedings against these debtors till the date of this report.
- b) We draw attention to Note 34 of the accompanying standalone financial statements regarding contingent liability/capital commitments which describes as below:
  - The Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs. Nil Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited (which was ceased as on 30th October,2024) against Term Loan and Working Capital Facilities sanctioned to the said companies.

Further, the above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company and company may not be able to discharge its liabilities as guaranter as the amount of the liability of the company against these corporate guarantees are much higher than the total net worth of the company.

Our opinion is not modified in respect of these above matters.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:



Sr No	Key Audit Matter	Auditor's Response
1.	Impairment of financial assets including write-offs using Expected Credit Losses (ECL) model	Principal Audit Procedures
	As described in the notes to the standalone financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included:	We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards.  Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing:  We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the
	Determining the criteria for a significant increase in credit risk (`SICR')	impairment reserve, internal credit quality assessments and methodology followed for computation of ECL.  For Expected Credit Losses computed by the management, we performed the following procedures:
	Techniques used to determine the Probability of Default (PD) and Loss Given Default ('LGD')  Assumptions used in the expected credit loss	Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection;
	model such as the financial condition of the counterparty, expected future cash flows etc.	Examined the key data inputs to the ECL model on a sample basis to assess their accuracy and completeness;
		Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk;
		Assessed the Company's methodology for ECL provisioning, Classification and Measurement;
		We enquired with the management regarding significant judgments and estimates involved in the impairment computation and evaluated the reasonableness thereof.

Information other than the Standalone financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the standalone financial statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone 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 and presentation of the standalone financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

The Board of Directors is also responsible for establishing and maintaining adequate and effective controls in respect of use of accounting software that entails the requisite features as specified by the Companies (Accounts) Rules, 2014, as amended from time to time, including an evaluation and assessment of the adequacy and effectiveness of the company's accounting software in terms of recording and



maintaining audit trail (edit log) of each and every transaction and ensuring that the audit trail cannot be disabled and has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Auditor's Responsibility for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit
  procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The
  risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.
- Conclude on the appropriateness of the 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and dealt with by this Report are in agreement with the books of account.
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except as stated above in "Emphasis of Matter";
  - (e) on the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) the Company does not have any pending litigations and therefore no impact or disclosure in relation to the same has been made in the standalone financial statement, except for the those as mentioned under contingent liabilities and commitments in the financial statement.
  - (ii) the Company has made provision, as required under the applicable law or accounting standards, for the material foreseeable losses, if any, on long-term contracts in the financial statement.
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, the Intermediary shall, whether, directly or indirectly lend or invest in other persons or 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material misstatement.
  - (v) The company has neither declared nor paid any dividend during the year.
  - (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 and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the paragraph 3 and 4 of the Order

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania

(Partner)

Membership No.: 171789

UDIN : 25171789BMIPMP4064

Date : 30/05/2025 Place : Mumbai



#### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Konark Synthetic Limited ("the Company") as of 31st March 2025 in conjunction with our audit of the Ind AS Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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.

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania

(Partner)

Membership No.: 171789

UDIN : 25171789BMIPMP4064

Date : 30/05/2025 Place : Mumbai



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

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the statement on the matters specified in the paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020:

- (i) In respect of its property, plant and equipment
  - a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment except in case of certain Plant & Machinery and few other assets where item wise particulars are not available and the company is in process of retrieving the relevant information and updating the same in Fixed Assets Register.
  - (B) The company has maintained proper records for intangible assets.
  - b) Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification as informed by management.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - d)According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
  - e)According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (ii) In respect of its Inventory
  - a) The inventory has been physically verified by the management during the year except for stores and spares. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, from banks on the basis of security of current assets and following discrepancies were noticed between Quarterly Statement of Current assets filed with the bank and books of accounts:

(Rupees in Lakhs)

				(Rapodo III Ealtii
Quarter Ended on	Amount of Current	Amount of	Difference, if	Reason for Discrepancies, if any
	Assets as filed	Current Assets	Any	
	with the Bank	as per Books	(A-B)	
	(A)	(B)		
June, 2024	3100.61	3030.80	69.72	The quarterly statements were submitted to
September, 2024	3361.17	3332.08	29.09	bank based on the Cost method of stock
				valuation whereas, during the quarterly
December, 2024	3565.18	3625.68	-60.50	review/audit the stock was valued at lower of Cost or Net Realizable Value
March, 2025	3920.12	4093.33	-173.21	

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security to any companies, firms, limited liability partnership or any other parties during the year. The company has made investments and granted loans or advances in the nature of loans to companies, firms, or any other parties during the year.
  - (a) The Company has provided loans or advances in nature of loan to any other entity, as under

Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or advances in nature of loan to any other entity as below:

(Rupees in Lakhs)

				(Itapood III Laitilo)
ticulars	Guarantees	Security	Loans	Advances in nature of loan*
regate amount during the year				
<ul> <li>Subsidiaries</li> </ul>	-	-	-	-
- Others	-	-	-	-
ance outstanding as at balance sheet date				
- Subsidiaries				
- Others	2706.00	-	56.97	-
	-	-	-	16.34



- \*Advances in nature of loan to others includes loans/advances given to employees.
  - (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made during the year and the terms and conditions of the loans given and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given or advances made in nature of loan.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.
- (f) The company has granted loans or advances in the nature of loans in the nature of loans either repayable on demand or without specifying terms or period of payment and the details of paragraph 3(iii)(f) for such loans & advances outstanding as on balance sheet date are disclosed as under:

neet date are disclosed as under.			
			(Rupees in Lakhs)
Particulars	All Parties	Promoters	Other Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on Demand (A)	56.97	-	56.97
- Agreement does not specify any terms or period of repayment (B)	=	-	-
Total (A+B)	56.97	-	56.97
Percentage of loans/ advances in nature of loans to the total Loans	100.00%	=	100.00%

(iv) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, we report that, the Company has complied with the provisions of section 185 and 186 of companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable, except that company has extended loan to its subsidiary company which is interest free and there is no stipulation as to repayment of loan given, which is not in compliance with the provisions of section 186(7) of the Act. The details of loan are as under:

Name of the	Nature of Loan	Relationship with	Amount	Amount outstanding	Remarks
borrower		the borrower	Involved	as on March 31, 2025	
			(Rs. In Lakhs)	(Rs. in Lakhs)	
India Denim Limited	Loan repayable on demand	Subsidiary Company	56.97	56.97	Loan given interest free and without stipulation of repayment terms

- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Adequate Cost records is not maintained by the company as per rules made by the central government for the maintenance of cost records under section 148(1) of the companies act 2013 relating to the manufacturing activities of the company. We have not, however, made a detailed examination of the said cost records.
- (vii) In respect of statutory dues:
  - a)According to the information and explanation given to us, the statutory dues have been regularly deposited during the year by the company with the appropriate authorities. There are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at March 31, 2025 for a period of more than six months from the date of becoming payable except statutory dues of Rs.25.08 Lakhs pertaining to ESIC and Rs.0.39 Lakhs pertaining to Profession Tax.
  - b)There were no disputed dues in respect of Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	Rectification pending with CPC/Assessing Officer	FY 2014-15	8.65



- (viii) In our opinion and according to the information and explanations given to us, 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of dues in respect of liability towards term loans with banks or financial institutions.
  - (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not raised any amount by way of term loans during the year.
  - (d) The Company has not raised any funds on short term basis during the year and 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 has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the companies Act, 2013 and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - (b) 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) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) According to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transaction with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion the Company has an internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered the internal audit reports of the company issued till date for the period under audit.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) of the Order is not applicable.
  - (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year and hence reporting under clause 3(xvi)(b) of the Order is not applicable.
  - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3(xvi)(c) of the Order is not applicable.
  - (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The company has incurred cash losses of Rs. 180.22 lakhs during the current financial year covered by our audit however the company has incurred Rs. Nil cash losses during the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors of the company during the year and hence reporting under clause 3(xviii) of the Order is not applicable.



- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, except for the discharge of liability arises due to corporate guarantee of Rs.2706.00 Lakhs in respect of loan availed by its subsidiary company M/s. India Denim Limited, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to previous years. Accordingly, during the year the company was not liable to transferred the unspent amount specified in Schedule VII to the Act within the period of six months of the expiry of the financial year in compliance.
  - b) In respect of ongoing projects, the company spent the required amount and there is no unspent amount required to be transferred within a period of 30 days from the end of the financial year in compliance with section 135 (6) of the said Act.

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania (Partner)

Membership No.: 171789

UDIN : 25171789BMIPMP4064

Date : 30/05/2025 Place : Mumbai



# **Konark Synthetic Limited** CIN:L17200MH1984PLC033451

# Standalone Balance Sheet as at March 31, 2025

All amount are in INR (Lakhs) otherwise stated

Assets	Note	As at	As at
	No.	March 31,2025	March 31,2024
Non-current Assets			
(a) Property, Plant and Equipment	4	159.89	429.24
(b) Capital Work-In-Progress		-	-
(c) Intangible Assets		1.02	1.02
(d) Financial Assets	_	0.00	0.00
(i) Investments	5	0.03	2.83
(ii) Others	6	56.18	54.65
(e) Other Non-Current Assets		-	-
(f) Deferred Tax Assets (Net)		- 040.40	407.74
Total Non-Current Assets		216.12	487.74
Current Assets			
(a) Inventories	7	1,961.92	1,738.04
(b) Financial Assets		4.074.00	004.40
(i) Trade Receivables	8 9	1,874.62	991.10
(ii) Cash and Cash Equivalents	9	36.87	33.80
(iii) Bank Balances Other Than Above	40	7004	005.70
(iv) Loans	10	7331	825.73
(v) Others	11 12	102.82	100.37
(c) Current Tax Assets (Net)	12	102.82	100.37
(d) Non Current Assets classified as held for sale	13	626.47	404.00
(e) Other Current Assets	13	636.47 <b>4,686.01</b>	184.28 <b>3,873.31</b>
Total Current Assets		4,902.13	4,361.05
Total Assets	Note	-	-
Equity and Liabilities	No.	As at March 31,2025	As at March 31,2024
Equity			,
(a) Equity Share Capital	14	580.80	580.80
(b) Other Equity	15	(578.78)	(270.97)
Total Equity		2.02	309.82
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	446.57	481.99
(b) Provisions	17	40.41	36.33
(c) Deferred Tax Liabilities (Net)	18	0.45	0.45
Total Non-Current Liabilities		487.42	518.77
Current Liabilities			
	19	2,581.83	2,640.40
(i) Borrowings		2,001.00	2,0 .00
(ii) Trade Payables		7.86	8.92
(a) Total outstanding dues of micro enterprises and small enterprises; and	20	1,601.39	641.75
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises."	21	48.94	91.76
(iii) Other Financial Liabilities	22	171.81	146.35
(b) Other Current Liabilities		171.01	140.33
(c) Current Tax Liabilities (Net)	23	0.85	3.28
(d) Provisions	23	4,412.69	3,532.45
Total Current Liabilities		4,900.11	4,051.53
Total Liabilities			·
Total Equity and Liabilities		4,902.13	4,361.05

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached

For Bhuwania & Agrawal Associates

Chartered Accountants

Firm Registration No: 101483W

(Shubham Bhuwania) Partner

Membership No: 171789

Place : Mumbai Date: 30th May, 2025 For and on behalf of the Board of directors

**Shonit Dalmia** (Managing Director) **Anshul Agrawal** (Director)

Prerna Goyal (Company Secretary

R.B. Somany (Chief Finance Officer)

& Compliance Officer)



# Konark Synthetic Limited CIN:L17200MH1984PLC033451

# Statement of Standalone Profit and Loss for the Year ended March 31,2025

All amount are in INR (Lakhs) otherwise stated

	Particulars	Note No.	For the year ended March 31,2025	For the year ended March 31,2024
I.	Income			
	Revenue from operations	24	4,673.56	4,360.44
	Other Income	25	2.61	108.23
	Total Revenue (I)		4,676.17	4,468.68
II.	Expense			
	Cost of Material Consumed	26	764.62	751.90
	Purchase of Stock-in-trade		3338.26	3027.64
	Change in inventories of finished goods/stock in trade	27	(224.40)	(257.89)
	Employee benefits expenses	28	144.24	153.88
	Finance Costs	29	293.06	325.31
	Depreciation and amortisation expenses	4	83.17	99.40
	Impairment of financial assets		44.90	-
	Other Expenses	30	337.32	351.54
	Total Expenses (II)		4,451.78	4,451.78
Ш	Profit / (loss) before exceptional items and income tax (I-II)		(104.98)	16.89
IV	Exceptional item			
	- Diminution in the value of Investments of subsidiary		-	-
	- Profit (Loss) on sale of Fixed Assets/Store		24.98	(1.61)
	- Reversal of Interest Income		(758.32)	-
v	Profit / (Loss) before tax (III - IV)		(838.32)	15.28
VI	Tax expense			
	Current tax		-	2.50
	Deferred Tax charge/ (benefits)		(0.21)	-
	Tax expense for earlier years		-	-
VII	Profit / (Loss) after tax for the year (V - VI)		(838.12)	12.78
VIII	Other comprehensive income, net of tax		-	-
	Items that will not be classified to profit or loss			
	- Remeasurement gain/(loss) on defined benefit plans		0.79	1.72
	- Income tax relating to remeasurement (gain)/loss on above		(0.21)	(0.45)
	Other comprehensive profit for the year		0.59	1.27
IX	Total Comprehensive Income for the year (VII-VIII)		(837.53)	14.05
Χ	Earnings Per Equity Share of Face Value of Rs.10 each	33		
	Basic – After Exceptional Items		(14.43)	0.22
	Basic – Before Exceptional Items		(1.80)	0.25
	Diluted – After Exceptional Items		(14.43)	0.22
	Diluted – Before Exceptional Items		(1.80)	0.25
ᄂ	parv of significant accounting policies	L	3	

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached For Bhuwania & Agrawal Associates

Chartered Accountants Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No : 171789 Place : Mumbai Date : 30th May, 2025 For and on behalf of the Board of directors

Shonit Dalmia (Managing Director) Anshul Agrawal (Director)

Prerna Goyal Company Secretary & Compliance Officer R.B. Somany (Chief Finance Officer)



# **Konark Synthetic Limited** CIN:L17200MH1984PLC033451

# Standalone Cash Flow Statement For The Year Ended March 31, 2025

All amount are in INR (Lakhs) otherwise stated

Particulars	For the yea 31st Marci		For the year ended 31st March, 2024		
A. Cash flow from operating activity					
Net Profit before tax & Extra Ordinary Items			(308.49)		15.28
Adjustment for : Depreciation		83.17		99.40	
Interest paid		293.06		325.31	
Prior Period Adjustments		0.12		(2.36)	
Provision for Impairment		44.90		-	
(Profit)Loss on Sale of Fixed Assets		(24.98)		1.61	
(Profit)Loss on Sale of Investment		-		-	
Interest Income (considered Seperate	ly)	(1.92)		(94.40)	
Reversal of Interest Income		758.32	1,152.67	-	329.56
Operating Profit before working capital changes			844.19		344.84
WORKING CAPITAL CHANGES					
(Increase)Decrease in Trade Receivable		(928.42)		313.87	
(Increase)Decrease in Loans & Advances & Other Rec	eivables	298.70		(95.12)	
(Increase)Decrease in Inventories		(223.88)		(246.41)	
Increase(Decrease) in Trade Payable & other payables	:	187.54	(666.05)	(192.19)	(219.84
Cash Generated From operations			178.13		129.99
Direct Tax Paid			(4.96)		(14.32
Cash Flow Before Prior Period & Extra Ordinary Iter	ns		173.18		139.31
Prior Period & Extra Ordinary Items			(0.12)		2.36
Net Cash Flow From Operating Activities	(A)		173.06		141.67
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets		(1.69)		(0.85)	
Interest Income		1.75		2.43	
Advance Received against Sale of Land and Building		-		15.00	
Sale of fixed assets		217.00		3.00	
Net Cash Outflow for investing Activities			217.06		19.58
Cash flow after investing activities	(B)		217.06		19.58
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Long term borrowing (Net of Repaymer	nts)	(93.99)		176.83	
Proceeds from Short term borrowing (Net of Repayment	nts)	-		-	
Interest paid		(293.06)		(325.31)	
Net Cash Flow from financing activity	(C)		(387.05)		(148.47
Increase in cash and cash equivalents	(A+B+C)		3.07		12.77
Cash &Cash Equivalent (Opening Balance)			33.80		21.02
Cash &cash equivalent(Closing balance)			36.87		33.80
Increase in cash & cash equivalent			3.07		12.77

Summary of significant accounting policies
The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached For Bhuwania & Agrawal Associates

**Chartered Accountants** 

Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No: 171789 Place : Mumbai Date: 30th May, 2025

For and on behalf of the Board of directors

**Shonit Dalmia** (Managing Director) **Anshul Agrawal** (Director)

Prerna Goyal Company Secretary & Compliance Officer

R.B. Somany (Chief Finance Officer)



# **Konark Synthetic Limited** Standalone Statement of changes in equity as at March 31, 2025

All amount are in INR (Lakhs) otherwise stated

# A. Equity Share Capital

Balance as at April1,2024	Changes in equity share capital due to prior period errors	Res	stated balance as s April1,2023		nges in equity apital during the year	Balance as at March 31,2025			
580.80	-		580.80		-	58	0.80		
Balance as at April1,2023	Changes in equity share capital due to prior period errors	to April1,2022		share c	es in equity apital during ne year	Balance as at March 31,2024			
580.80	-		580.80	)	-		580.80		
B. Other Equity									
Particulars	Capit Redemp Reser	tion	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total		
Balance as at 01st April, 20	024 40	.00	683.57	25.00	597.51	(1,617.05)	(270.97		
Add: Prior Period Adjustm	ent	-	-	-	-	(308.28)	(308.28		
Add: Profit/(Loss) for the	year	-	-	-	-	0.59	0.5		
Add : Other Comprehensiv	e Income for the year	-	-	-	-	(0.12)	(0.12		
Balance as at 31st March	, 2025 40	.00	683.57	25.00	597.51	(1,924.87)	(578.7		
Particulars	Capit Redemp Reser	tion	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total		
Balance as at 01st April, 20	023 40	.00	683.57	25.00	597.51	(1,633.46)	(287.38		
Add : Prior Period Adjustm	ent	-	-	-	-	2.36	2.3		
Add: Profit/(Loss) for the	year	-	-	-	-	12.78	12.7		
Add : Other Comprehensiv	e Income for the year	-	-	-	-	1.27	8.0		
Balance as at 31st March Summary of significant acc		.00	683.57	25.00	597.51	(1,617.05)	(270.97		

As per our report of even date attached For Bhuwania & Agrawal Associates

**Chartered Accountants** 

Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No: 171789

Place : Mumbai Date: 30th May, 2025 For and on behalf of the Board of directors

**Shonit Dalmia** (Managing Director) Anshul Agrawal (Director)

Prerna Goyal

R.B. Somany (Chief Finance Officer)



#### KONARK SYNTHETIC LIMITED

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

#### **Note 1 CORPORATE INFORMATION:**

Konark Synthetic Limited ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai -400059, India.

Company is engaged in the Manufacturing of Yarn and Trading of Fabric with Weaving and Processing and Manufacturing of Readymade Garments.

#### Note 2 BASIS OF PREPARATION AND PRESENTATION:

#### i. Statement of compliance

These financial statements ("the Financial Statements") are prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

#### ii. Accounting convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### iii.Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

The Standalone financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

#### iv. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the note 3 of the financial statements.

#### Note 3 SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

#### 3.1 Property Plant and Equipment:

Property, plant and equipment are carried at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Capital work in progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Depreciation on the Property plant and equipment is provided using straight line method over useful life of assets as specified in schedule II to the Companies Act,2013, Depreciation on Property Plant & equipment addition/deletion during the year has been provided on pro-rata basis from the date of such addition or upto date of such deletion as the case may be. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property plants and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits/Losses arising in the case of retirement/disposal of property plant and equipment are recognized in the statement of profit and losses in the year of occurrence.

Leasehold Lands are amortized over period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

#### 3.2 Intangible Assets:

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer software are capitalized at the amount paid to acquire the respective license for use and are amortized over period of useful lives. The assets useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

#### 3.3 Leases:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if



lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

#### 3.4 Inventories:

In general, all inventories of finished, work-in-progress etc. are stated at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw materials & Stores and Spares are stated at cost on FIFO basis. Waste and by product are valued at net realizable value. Cost of finished products are determined at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal level of activities.

#### 3.5 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### 3.6 Impairment of assets

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

#### 3.7 Financial instruments - initial recognition, subsequent measurement and impairment:

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

#### I) Financial assets - Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

#### Financial assets - Subsequent measurement:

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- a) Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.
- b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

#### Financial assets - Equity Investment in subsidiaries, associates and joint venture:

The Company has accounted for its equity investment in subsidiaries, associates and joint venture at cost.

#### Financial assets - 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 statement of financial position) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flow from the asset.

#### Impairment of financial assets

#### Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

#### Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at



an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**Write-offs**Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

#### II) Financial liabilities - Initial recognition and measurement:

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

# Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

#### **Financial Liabilities - Derecognition:**

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

#### 3.8 Current and non-current classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

#### An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading & manufacturing.
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

#### A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading, & manufacturing.
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

#### 3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

#### 3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

#### 3.11 Sales & Purchase:

Revenue from sale of goods is recognized when significant risk and rewards of ownership of goods have passed to the buyer. Sales are recorded excluding GST net of return, rate difference and sales claim. Purchases are recorded excluding GST, net of return, rate differences and purchase claims.

#### 3.12 Foreign Currency Reinstatement and translation:

Transactions denominated in foreign currency are normally recorded at the customs exchange rate prevailing at the time of transaction. Monetary Items denominated in foreign currencies at the yearend are restated at year end rates. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable fixed asset is adjusted to the carrying cost of the fixed asset. All other exchange differences are dealt with in the Statement of Profit and Loss. Non monetary foreign currency items are carried at cost.



#### 3.13 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

#### 3.14 Export Incentives:

Benefit on account of entitlement of Duty Draw Back and others are recognized as and when right to receive is established as per the terms of the scheme.

#### 3.15 Employee Benefit:

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected Unit Credit Method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Other Comprehensive Income (Net of Tax).

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

#### 3.16 Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

#### 3.17 Earnings per share:

Basic earnings per share is computed using the 'net profit for the year attributable to the shareholders (Before and After Exceptional Items)' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the 'net profit for the year attributable to the shareholder (Before and After Exceptional Items)' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

#### 3.18 Investments in Subsidiaries and Associates

The Company records the investments in Subsidiaries and Associates at cost less impairment loss, if any.

After initial recognition, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of investment in Associates and that event (or events) has an impact on the estimated future cash flows of the Subsidiaries and Associates that can be reliably estimated. If there exists such an objective evidence of impairment, then impairment loss is recognized with respect to the Company's investment in Subsidiaries and Associates.

#### 3.19 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in



the assumptions when they occur.

#### Property, plant and equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

#### Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

#### Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### Fair value measurements and Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Defined benefits plan:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **Provisions:**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.



Konark Synthetic Limited Notes to Standalone Financial Statements for the year ended March 31,2025 Note 04 - Property, Plant And Equipment & Capital Work-In-Progress

#### All Amounts are in INR ( Laks) otherwise stated

											7.0.	<b>J</b>	<u> </u>	VIN ( Laks)		<u></u>
Description	Leasehold Land	Freehold Land	Office Building	ROU Building	Factory Buildings	Plant & Machineries	Electric Installation	Equip- ments	Fire Fighting	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	Software	Work in Progress
Gross carrying amount (at cost)																
As at 1st April 2024	-	6.77	201.89	-	63.50	2,508.22	93.58	8.46	0.21	30.18	25.98	182.37	27.05	3,148.22	20.39	-
Additions/Adjustments	-	-	-	-	-	-	-	-	-		1.69	-	-	1.69	-	-
Deductions/Impairments	-	-	201.89	-	-	274.95	-	-	-		-	-	-	476.84	-	-
As at 31st March 2025	-	6.77	-	-	63.50	2233.27	93.58	8.46	0.21	30.18	27.67	182.37	27.05	2,673.06	20.39	-
Accumulated depreciation																
As at 1st April 2024	-		23.18	-	56.86	2,304.06	80.67	7.58	0.20	27.57	21.37	160.48	25.25	2,707.24	19.37	-
Depreciation for the year	-	-	0.39	-	1.14	74.73	1.50	0.09	-	0.23	0.73	4.03	0.38	99.40	-	-
Deductions/Impairments	-	-	26.77	-	-	261.20	-	-	-		-	-	-	87.66	-	-
As at 31st March 2025	-	-	-	-	58.00	2118.08	83.67	7.76	0.20	28.04	23.00	168.54	25.77	2514.17	19.37	-
Net Carrying amount																
As at 31st March 2024	-	6.77	175.52	-	5.50	203.71	11.41	0.79	0.01	2.37	3.89	17.85	1.42	429.24	1.02	
As at 31st March 2025	-	6.77	-	-	4.36	115.23	9.91	0.70	0.01	2.13	4.67	13.82	1.28	158.89	1.02	-

#### Notes

a) There is no immovable property where title deeds are not held in the name of the company
b) The company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or Intangible Assets during the year.



#### Konark Synthetic Limited Notes to Standalone Financial Statements for the year ended March 31,2025 Note 5 - Non - Current Investments

# All amounts are in INR ( Lakhs ) otherwise stated

Particulars	,	As at 31 Ma	rch , 2025		As at 31 March, 2024			
	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.) Unless otherwise Stated	Rs.	Extent of Holding (%	No. of Shares/ Units	Face Value (Rs.) Unless otherwise Stated	Rs.
In Equity Instruments:								
Unquoted Fully Paid -up								
Carried at Cost								
Subsidiary Company								
India Denim Limited	61.17	70,01,000	0 10	848.88	61.17	70,01,000	10	848.88
Associates								
Konark Infratech Private Limited	-	-	-	-	26.92	28,000	10	2.80
Others								
Silvassa Co-op. Society Limited		10	100	0.01		10	100	0.01
The City Co-op. Bank Ltd.		40	25	0.02		40	25	0.02
Quoted Fully Paid -up								
Carried at cost								
Sun Earth Ceramics limited		6,800	10	2.04		6,800	10	2.04
Total Equity Instruments				853.75				853.75
Less: Provision for dimunition in the value of Investments				850.92				850.92
Total				0.03				2.83
Particulars					As at 31 I	March , 2025	As at 31 M	arch , 202

Particulars	As at 31 March , 2025	As at 31 March , 2024
Aggregate amount of quoted investments (Market value of NIL (Previous Year NIL) (Company has made the Provision in the Dimunition value of Such Investments)	2.04	2.04
Aggregate amount of unquoted investments. (Provision in dimunition in value made for Rs. 84888000/-)	848.91	851.71



# Konark Synthetic Limited Notes to Standalone Financial Statements for the year ended March 31, 2025 All amounts are in INR ( Lakhs ) Otherwise stated

6	Non-Current	Einancial A	ssets - Others
n	Non-Current	Financiai A	ssers - Omers

Particulars	As at March 31,2025	As at March 31,2024	
Bank deposits with more than 12 months maturity	0.48	0.45	
Security Deposits Govts & Other	55.70	54.20	
Total	56.18	54.65	

#### 7 Inventories

Particulars	As at March 31,2025	As at March 31,2024
Raw Materials	12.32	12.58
Stores, Spares	18.65	18.92
Work in Progress	24.97	110.59
Finished Goods	208.73	105.50
Stock In Trade	1,697.24	1,490.46
Total	1.961.92	1.738.04

# 8 Current Financial Assets - Trade Receivables

Particulars	As at	As at
	March 31,2025	March 31,2024
Undisputed Trade receivables		
(a) Unsecured, considered good;	1243.98	364.24
(b) Having significant increase in Credit Risk	630.64	626.86
(c) Credit Impaired	256.79	211.89
	1,202.99	1,202.99
Less: Provision for Impairment		
(a) Unsecured, considered good;	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	256.79	211.89
	256.79	211.89
	1874.62	991.10
Disputed Trade receivables		
(a) Unsecured, considered good;	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	-	-
	-	-
Less: Provision for Impairment		
(a) Unsecured, considered good;		_



(b) Having significant increase in Credit Risk

(c) Credit Impaired \_ \_

Total 1874.62 991.10

# Trade receivables ageing schedule as at 31st March,2025

Particulers Outs	tanding for follov	ving periods fro	om due date d	of payments		Total
	Less Than 6 Month	6 Month -1 Year	1 <b>–</b> 2 Years	2-3 Years	More Than 3 Years	
Undisputed Trade receivables						
(a) Unsecured, considered good;	1243.67	0.31	-	-	-	1243.98
(b) Having significant increase in Credit Risk	-	-	0.21	3.57	626.86	630.64
(c) Credit Impaired	-	-	-	-	233.96	256.79
•	1243.67	0.31	0.21	3.57	883.65	2131.41
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	233.96	233.96
•	-	-	-	-	233.96	233.96
	1243.67	0.31	0.21	3.57	626.86	1874.62
Disputed Trade receivables						
(a) Unsecured, considered good;	-	=	-	-	-	
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	=	-	-	-	-
	-	-	-	-	-	-
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	<u> </u>	-	-	-	-
Total	1243.67	0.31	0.21	3.57	626.86	1874.62

Trade receivables ageing schedule as at 31st March,2024

All amounts are in INR ( Lakhs ) Otherwise stated

Particulers Ou	itstanding for follov	ving periods fro	om due date	of payments		Total
	Less Than 6 Month	6 Month -1 Year	1 - 2 Years	2-3 Years	More Than 3 Years	
Undisputed Trade receivables						
(a) Unsecured, considered good;	315.95	1.19	0.19	-	-	317.26
(b) Having significant increase in Credit Ri	sk -	-	-	46.98	626.86	673.84
(c) Credit Impaired	-	-	-	-	221.89	221.89
,	315.95	1.19	0.19	46.98	848.75	1,212.99
Less: Provision for Impairment						•
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Ri	sk -	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	221.89	221.89
( )	-	-	-	-	221.89	221.89
	315.95	1.19	0.19	46.98	626.86	991.10
Disputed Trade receivables						
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credit Ris	sk -	-	_	_	-	-
(c) Credit Impaired	=	=	_	-	-	-
(1)	-	-	-	-	-	-
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	_	_	-	-
(b) Having significant increase in Credit Ris	sk -	-	_	-	-	-
(c) Credit Impaired	- -	=	_	-	-	-
(-),	-	-	-	-	-	-
Total	315.95	1.19	0.19	46.98	626.86	991.10



# 09 Current Financial Assets - Cash & cash equivalents

Particulars	As at March 31,2025	As at March 31,2024	
Cash & Cash Equivalents			
Balance with banks;			
(i) Current Accounts	2.30	5.6	
(ii) Dividend Accounts	-		
Cash on hands	34.57	28.1	
Total	36.87	33.80	
Current Financial Assets – Loans			
Particulars	As at	As at	

Particulars	As at March 31,2025	As at March 31,2024
Unsecured, considered good;		
- To Subsidiaries	56.97	56.97
- To Associate concern	-	752.31
- To employees	16.34	16.46
Total	73.31	825.73

# 11 Current Financial Assets -Other Assets

Particulars	As at March 31,2025	As at March 31,2024
Other Advances	76.00	76.00
Less: Provision for Impairment	76.00	76.00
Total	<del>-</del>	-

# 12 Current Tax Assets ( Net )

Particulars	As at March 31,2025	As at March 31,2024
Advance Income Tax (Net of Provision)	102.82	100.37
Total	102.82	100.37



#### 13 Other Current Assets

All amounts are in INR	(Lakhs	) Otherwise stated
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	Particulars			As at March 31,2025	As at March 31,2024
	Unsecured, Considered Good, unless otherwis	se stated:			
	Receivable from Government Authorities			25.00	23.38
	Prepaid Expenses			5.59	2.56
	Advances to creditors			65.79	63.05
	Interest Receivable			0.03	81.27
	Rebate & Discount Receviable			529.84	-
	Other Current Assets			10.21	14.01
	Total			636.47	184.28
14	Equity Share Capital				
	A) Authorized				
	Particulers			No of Shares	Amount
	As at April 1, 2024			1,50,00,000	1,500.00
	Changes during the year			-	-
	As at March 31, 2025			1,50,00,000	1,500.00
Is	ssued , subscribed and paid up share				
				No of shares	Equity Share Capital par value
Eq	quity Share Capital				
As	at April 1, 2024			58,08,000	580.80
Ch	nanges during the year			-	-
As	s at March 31, 2025			58,08,000	580.80
		Movement in	Equity Share Capital		
	Paticulers	as on 31 <sup>st</sup> M	arch,2025	as on 3	31st March,2024
		Number	Amount	Number	Amount
id: E	Share Outstanding at the beginning of period Equity Share issued during the year Share bought back during the year	58,08,000 - -	580.80	58,08,000 - -	580.80 - -
	Share Dutstanding at the end of the period	58,08,000	580.80	58,08,000	580.80

# C) Rights, preference and restrictions attached to the shares

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of 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) Shareholders holding more than 5 percent of Equity Shares

% holding in the class	As at March 31, 2025 No. of share held	As at March 31, 2024 No. of share held
17.36%	10.08	10.08
14.75%	8.57	8.57
14.46%	8.40	8.40
5.80%	3.37	3.37
19.40%	11.26	0.26
	17.36% 14.75% 14.46% 5.80%	No. of share held  17.36% 10.08  14.75% 8.57  14.46% 8.40  5.80% 3.37



All amounts are in INR ( Lakhs ) Otherwise stated

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

E) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

F) Shares held by Promoter's

Name of Proamters Equity Shares of Rs. 10/- each	% Holding in the	As at March 31, 2025 No. of share held	% Change during the year	% holding in the class	As at March 31, 2024 No. of share held	% Change during the year
Rakadevi Dalmia	17.36%	10.08	-	17.36%	10.08	-
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	-	14.75%	8.57	-
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	-	14.46%	8.40	-
Prakashchand Dalmia (HUF)	5.80%	3.37	-	5.80%	3.37	-
Shonit Dalmia	19.40%	11.26	-	19.40%	11.26	-
Prakashchand Dalmia	0.99%	0.58	-	0.99%	0.58	-
Amitabh Kejriwal	1.17%	0.68	-	1.17%	0.68	_
Smita R Kejriwal	1.05%	0.61	-	1.05%	0.61	-
Shikha Dalmia	0.01%	0.01	-	0.01%	0.01	-
		43.55			43.55	-

# 15 Other Equity

Particulars	Capital Redemption Reserve	Securities Premium account	Capital Incentive Subsidy	General Reserve	Retained Earnings	Tota I
Balance as at 1st April, 2024	40.00	683.57	25.00	597.51	(1,617.05)	(270.97)
Add : Profit /(Loss) for the year	-	-	-	-	(308.28)	(308.28)
Add: Other Comprehensive Income for the year	-	-	-	-	0.59	0.59
Add: Prior Period Adjustment	-	-	-	-	(0.12)	(0.12)
Balance as at 31st March 2025	40.00	683.57	25.00	597.51	(1.924.87)	(578.78)



# **Konark Synthetic Limited**

# Notes to Standalone Financial Statements for the year ended March 31, 2025

All amounts are in INR ( Lakhs ) Otherwise stated

#### 16 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31,2025	As at March 31,2024
Borrowings a) Secured Loan - Term Loan		
(i) from Banks		
Loan Against Property	446.57	481.99
(ii) from Other	-	-
b) Unsecured Loan	-	-
Total	446.57	481.99

#### 17. Provisions

Particulars	As at March 31,2025	As at March 31,2024
Provisions		
Provisions for Employee Benefits		
- Provision For Gratuity	40.41	36.33
Tota	40.41	36.33
18. Deferred Tax Liabilities (Net)		
Particulars	As at March 31,2025	As at March 31,2024
Provisions		
Tax effect of items constituting deferred tax liabilities		
- Remeasurement gain/(loss) on defined benefit plans	0.45	0.45
Total	0.45	0.45
19. Current Financial Liabilities - Borrowing	gs	
Particulars	As at March 31,2025	As at March 31,2024
a) Loans repayable on demands     (i) Secured -		
From Banks		
<ul> <li>Cash credit</li> <li>Current maturities of long-term debts</li> </ul>	1369.38	1394.86
- Secured Loans	115.20	276.44
(ii) Unsecured -	0.20	
Loans from Related Parties	1097.25	969.09
Total	2581.33 March 31,20	2640.40 )24
March 31,2023		

Secured Loans-Term Loans:
(a ) The loan of Rs. 561.77 Lacs ( P.Y. 647.58 Lac) including Current Maturities of Long Term Borrowings under note no. 19 from IDBI Bank Ltd is secured against the flat of Shri Amitabh Kejriwal-Director, situated at Flat No. 101, Santusthi, Janki Kutir, Juhu Ville Parle, Juhu, Mumbai - 400049. The loan was also guaranteed as co-applicants by Directors Mr. Amitabh Kejriwal and Mr. Shonit Dalmia. Terms of Payment is 180 EMI of Rs. 845328/- including interest @10.15% p.a. floating



# **Konark Synthetic Limited**

# Notes to Standalone Financial Statements for the year ended March 31, 2025

All amounts are in INR (Lakhs) Otherwise stated

**Secured Loans** Cash credit of Rs. 13.50 Crores has been sanctioned by Corporation Bank against paripassu first charge on inventory and book debts of the Company with margin of 25% on Stock and 40% on Book Debts; at interest rate of Base Rate + 4.00%.

Unsecured Loans- Loans from related parties is from Konark Realtech Private Limited and is payable on demand

#### 20 Current Financial Liabilities - Trade Payables

Particulars	As at March 31,2025	As at March 31,2024
(i) Trade Payables		
a) Total outstanding dues of Micro and small enterprises	7.86	8.92
b) Total outstanding dues of trade payable other than Micro and small enterprises	1599.37	640.81
c) Other	2.02	0.94
Total	1609,25	650.67

# Trade Payables ageing schedule: As at 31st March,2025

Particulers	Outstanding for follow	wing periods fro	m due date of pay	ments	
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	3.66	1.73	1.49	0.98	8.92
(ii) Other	1491.57	15.67	11.97	82.18	1601.39
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	1495.23	17.40	13.46	83.16	1609.25

#### Trade Payables ageing schedule: As at 31st March,2024

Particulers	Outstanding for follow	ing periods fror	n due date of payn	nents	
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	7.06	0.88	-	0.98	8.92
(ii) Other	547.03	12.55	34.63	47.53	641.75
(iii) Disputed Dues – MSME	-	-	-	=	-
(iv) Disputed Dues - Other	-	-	-	-	-
	554.10	13.43	34.63	48.51	650.67

#### 21 Current Financial Liabilities - Other Liabilities

Particulars	As at March 31,2025	As at March 31,2024
Other Financial Liabilities		
b) Interest accrued but not due on borrowings	3.86	5.55
c) Interest accrued and due on borrowings	-	25.04
d) Liability for expenses	17.13	3.63
e) Advance from Customer	2.95	17.53
f) Advance against Property	25.00	40.00
otal	48.94	91.76



All amounts are in INR ( Lakhs ) Otherwise stated

# 22 Other Current Liabilities

Particulars	As at March 31,2025	As at March 31,2024
a) Advance Received against Sale of Land and Building	-	-
b) Others		
i) Duties and Taxes	20.58	15.02
ii) Payable-ESIC, PF & Prof. Tax etc.	27.13	25.80
iii) Payable-Employee	124.10	105.53
Total	146.35	146.35
23 Provisions		
Particulars	As at March 31,2025	As at March 31,2024
Provision		
Provisions for Employee Benefits Gratuity	0.85	0.72
Provisions for Income Tax		2.50
Total	0.85	3.28
Sr. Particulars No.	For the Period ended 31.03.2025	For the Period ended 31.03.2024
24 Revenue From Operations		
Sales		
Sale of Products	4,673.56	4,360.44
Other Operating Revenue	-	-
Total	4,673.56	4,360.44
25 Other Income		
Interest Income	1.92	94.40
Others*	0.69	13.83
Total	2.61	108.23

<sup>\*</sup>Others includes Sundry Balance W/off



Sr. No.	Particulars	All amounts are in INR (Lak For the year ended	hs) Otherwise stated For the year ended	
NO.		31.03.2025	31.03.2024	
26	Cost of Materials Consumed			
	Raw Material Consumed			
	Opening Stock	12.58	24.18	
	Add: Purchases			
	Yarns	764.36	740.30	
		776.94	764.48	
	Less: Closing Stock	12.32	12.58	
	Total	764.62	751.90	
27	Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade			
	Opening Stock – Process	110.59	101.39	
	Opening Stock – Finished	1,595.96	1,347.27	
	Total – A	1,706.55	1,448.66	
	Closing Stock – Process	24.97	110.59	
	Closing Stock – Finished	1,905.97	1,595.96	
	Total – B	1,930.95	1,706.55	
	(Increase) / Decrease in Stocks <b>Total - A-B</b>	(224.40)	(257.89)	
28	Employee Benefits Expsnses			
	Salaries, Wages, Bonus & Other Allowance	135.73	144.25	
	Gratuity	4.93	4.83	
	Contribution to Provident Funds & ESIC	0.86	1.49	
	Staff Welfare Expenses	2.72	3.31	
	Total	144.24	153.88	
	The disclosures required under Indian Accounting Standard 19 "Employee Benefits" are given below:			
A.	Defined Contribution Plan	2024-2025	2023-2024	
	Contribution to Defined Contribution Plan, recognized as expense for the years are as under:			
	Employer's Contribution to Provident Fund	0.86	1.44	
	Employer's Contribution to ESI Scheme	0.00	0.05	

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

#### B. Defined Benefit Plan

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to buildup the final obligation.



# All amounts are in INR (Lakhs) Otherwise stated

# Gratuity (Non Funded )

			As at 31st March, 2025	As at 31st March, 2024
	a.	Movement in present value of defined benefit obligation		
		Obligation at beginning of the year	37.11	34.01
		Current Service Cost	2.37	2.42
		Interest Cost	2.56	2.40
		Actuarial (gain)/loss	(0.79)	(1.72)
		Benefits paid	-	-
		Obligation at the end of year	37.12	37.12
	b.	Reconciliation of fair value of assets and obligations		
		Fair value of plan assets at year end	-	-
		Present value of obligation at year end	41.25	37.12
		Amount recognised in Balance Sheet		
	-	Current	0.85	0.78
	-	Non-Current	40.40	36.33
<b>:</b> .	Ex	penses recognized during the year	year ended 31st March,2025	year ended 31st March,2024
	Cu	rrent Service Cost	2.37	2.42
	Inte	erest Cost	2.57	2.40
	Ex	pected return on plan assets	-	-
	Act	tuarial (gain) / loss	(0.79)	(1.72)
	Ne	t Cost	4.14	3.11
d.	Ac	tuarial assumptions	year ended 31st March,2025	year ended 31st March,2024
	Мо	ortality Table (L.I.C.)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)
	Ra	te of Interest (per annum)	6.67	7.25
	Sa	lary growth Rate (per annum)	5.50	5.50
	Wit	thdrawal Rate	1.00	1.00
		ated future salary increases takes into account inflation, seniority, pr the employment market. The above information is certified by the a		luding supply and
29. F	Finan	nce Cost		
Interest Expense			284.39	319.77
Othe	er Bor	rrowing Cost	8.67	5.54
тот	AL		293.06	325.31



30. Other Expenses           Manufacturing Expenses           Stores and Spares Consumed         71.30           Repair & Maintainance - Other (At Plants)         0.93           Security Charges         6.02           Freight, Octroi & Cartage         1.81           Total – A         224.19           (B)         Administrative & General Expenses           Advetisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Professional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent, Rates, Fees & Taxes         11.54           Repairs & Maintainance (Others)         6.22           Postage & Telegrame         0.45           Telephone         1.29           Telephone         1.29           Telephone         0.25           For Statuony Audit </th <th>Particula</th> <th>rs</th> <th>For the Period ended 31.03.2025</th> <th>For the Period ended 31.03.2024</th>	Particula	rs	For the Period ended 31.03.2025	For the Period ended 31.03.2024
Manufacturing Expenses         139.22           Power & Fuel         139.22           Stores and Spares Consumed         71,30           Repair & Maintainance - Other (At Plants)         0.93           Security Charges         4.91           Labour Charges         6.02           Freight, Octroi & Carlage         1.81           Total - A           (B)         Administrative & General Expenses           Advelisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Professional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent. Rates, Fees & Taxes         11.54           Repairs & Maintanance (Others)         6.22           Postage & Telegrame         0.45           Telephone         1.29           Travelling         11.31			Amount (Rs.)	Amount (Rs.)
Power & Fuel         139.22           Stores and Spares Consumed         71.30           Repair & Maintainance - Other (At Plants)         0.93           Security Charges         4.91           Labour Charges         6.02           Freight, Octroi & Cartage         1.81           Total - A         224.19           (B)         Administrative & General Expenses           Advetisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Professional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent, Rates, Fees & Taxes         11.54           Repairs & Maintanance (Others)         6.22           Postage & Telegrame         0.45           Telephone         1.29           Travelling         11.31           Vehicle Expenses         0.45	30. Other	Expenses		
Stores and Spares Consumed   71.30   Repair & Maintainance - Other (At Plants)   0.93   Security Charges   4.91   1.81				
Repair & Maintainance - Other (At Plants)         0.93           Security Charges         4.91           Labour Charges         6.02           Freight, Octrol & Cartage         1.81           Total – A         224.19           (B)         Administrative & General Expenses           Advetisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Priotessional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent, Rates, Fees & Taxes         11.54           Repairs & Maintanance (Others)         6.22           Postage & Telegrame         0.45           Tavelling         11.31           Vehicle Expenses         1.00           Auditors Remuneration:         - For Tax Audit         0.55           - For Tax Audit         0.55           - For Tot La B <td< td=""><td>Power &amp; F</td><td>uel</td><td>139.22</td><td>132.97</td></td<>	Power & F	uel	139.22	132.97
Security Charges         4,91           Labour Charges         6.02           Freight, Octrol & Cartage         1.81           Total – A         224.19           (B)         Administrative & General Expenses           Advetisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Priotassional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent, Rates, Fees & Taxes         11.54           Repairs & Maintanance (Others)         6.22           Postage & Telegrame         0.45           Telephone         1.29           Travelling         11.31           Vehicle Expenses         1.00           Auditors Remuneration:         -For Statutory Audit         2.20           -For Tax Audit         0.55           -For Certification & Review         0.75				64.30
Labour Charges         6.02           Freight, Octroi & Cartage         1.81           Total – A         224.19           (B)         Administrative & General Expenses           Adveltisement & Publicity         1.18           Bank Charges         0.47           Conveyance Expenses         1.66           Electricity         1.84           Filling Fees         0.25           Insurance         2.52           Membership & Subscription         3.86           General Expenses         6.23           GST Demand         -           Interest/Penalty         3.96           Professional Fees/ Legal Expenses         36.78           Printing & Stationary         0.53           Rent.Rates, Fees & Taxes         11.54           Repairs & Maintanance (Others)         6.22           Postage & Telegrame         0.45           Telephone         1.29           Travelling         11.31           Vehicle Expenses         1.00           Auditors Remuneration:         -For Statutory Audit         2.20           -For Tex Audit         0.55           -For Tex Tigoth A Review         0.75           Total - B         94.58				1.13
Total - A   224.19	-	-		5.86 48.60
Residence   Resi				1.18
(B) Administrative & General Expenses       Advetisement & Publicity       1.18         Bank Charges       0.47         Conveyance Expenses       1.66         Electricity       1.84         Filling Fees       0.25         Insurance       2.52         Membership & Subscription       3.86         General Expenses       6.23         GST Demand       -         Interest/Penalty       3.96         Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       -For Statutory Audit       2.20         -For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       Freight Charges       5.40         Sales Promotion Expenses       10.69 <th< td=""><td></td><td>Circl &amp; Callage</td><td></td><td>254.04</td></th<>		Circl & Callage		254.04
Advetisement & Publicity  Bank Charges  0.47  Conveyance Expenses  Electricity  1.84  Filling Fees  0.25  Insurance  2.52  Membership & Subscription  3.86  General Expenses  6.23  GST Demand  Interest/Penalty  3.96  Professional Fees/ Legal Expenses  8.678  Printing & Stationary  0.53  Rent, Rates, Fees & Taxes  Renjares & Maintanance (Others)  6.22  Postage & Telegrame  1.29  Travelling  Travelling  Vehicle Expenses  1.00  Auditors Remuneration:  - For Statutory Audit  - For Tax Audit  0.55  - For Certification & Review  Total - B  (C) Selling & Distribution Expenses  Marketing Expenses & Brokerage  Outward Freight & Octrol  Freight Charges  Sales Promotion Expenses  1.09  Sample & Development Expenses  2.43  Total - C			224.13	254.04
Bank Charges       0.47         Conveyance Expenses       1.66         Electricity       1.84         Filling Fees       0.25         Insurance       2.52         Membership & Subscription       3.86         General Expenses       6.23         GST Demand       -         Interest/Penalty       3.96         Professional Fees/Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Renuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Outward Freight & Octroi       Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55	(B)	-	4.40	0.05
Conveyance Expenses		•		0.95
Electricity				0.60
Filling Fees       0.25         Insurance       2.52         Membership & Subscription       3.86         General Expenses       6.23         GST Demand       -         Interest/Penalty       3.96         Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       94.58         (C) Selling & Distribution Expenses       0.03         Outward Freight & Octroi       Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Conveyance Expenses	1.66	2.10
Insurance		Electricity	1.84	1.74
Membership & Subscription       3.86         General Expenses       6.23         GST Demand       -         Interest/Penalty       3.96         Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent,Rates,Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       -         - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       -         Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Filling Fees	0.25	0.34
General Expenses       6.23         GST Demand       -         Interest/Penalty       3.96         Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C)       Selling & Distribution Expenses         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Insurance	2.52	3.22
GST Demand		Membership & Subscription	3.86	4.01
Interest/Penalty       3.96         Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		General Expenses	6.23	3.33
Professional Fees/ Legal Expenses       36.78         Printing & Stationary       0.53         Rent, Rates, Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       -For Statutory Audit         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Outward Freight & Octroi       5.40         Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		GST Demand	-	0.33
Printing & Stationary       0.53         Rent,Rates,Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       94.58         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Interest/Penalty	3.96	4.33
Rent,Rates,Fees & Taxes       11.54         Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:		Professional Fees/ Legal Expenses	36.78	13.38
Repairs & Maintanance (Others)       6.22         Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       -For Statutory Audit         - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       94.58         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Printing & Stationary	0.53	0.81
Postage & Telegrame       0.45         Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:       -For Statutory Audit         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       94.58         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Rent,Rates,Fees & Taxes	11.54	12.32
Telephone       1.29         Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:		Repairs & Maintanance (Others)	6.22	7.68
Travelling       11.31         Vehicle Expenses       1.00         Auditors Remuneration:		Postage & Telegrame	0.45	0.85
Vehicle Expenses       1.00         Auditors Remuneration:       - For Statutory Audit       2.20         - For Tax Audit       0.55       - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       94.58         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Telephone	1.29	1.64
Auditors Remuneration:         - For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Travelling	11.31	6.32
- For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Vehicle Expenses	1.00	9.13
- For Statutory Audit       2.20         - For Tax Audit       0.55         - For Certification & Review       0.75         Total - B       94.58         (C) Selling & Distribution Expenses       0.03         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Auditors Remuneration:		
- For Certification & Review 0.75  Total - B 94.58  (C) Selling & Distribution Expenses  Marketing Expenses & Brokerage 0.03  Outward Freight & Octroi  Freight Charges 5.40  Sales Promotion Expenses 10.69  Sample & Development Expenses 2.43  Total - C 18.55			2.20	2.20
Total - B  (C) Selling & Distribution Expenses  Marketing Expenses & Brokerage  0.03  Outward Freight & Octroi  Freight Charges  Sales Promotion Expenses  Sample & Development Expenses  10.69  Sample & Development Expenses  2.43  Total - C  18.55		- For Tax Audit	0.55	0.55
(C) Selling & Distribution Expenses       0.03         Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi       5.40         Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		- For Certification & Review	0.75	0.55
Marketing Expenses & Brokerage       0.03         Outward Freight & Octroi         Freight Charges       5.40         Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55		Total - B	94.58	76.37
Outward Freight & Octroi           Freight Charges         5.40           Sales Promotion Expenses         10.69           Sample & Development Expenses         2.43           Total - C         18.55	(C)			
Freight Charges         5.40           Sales Promotion Expenses         10.69           Sample & Development Expenses         2.43           Total - C         18.55			0.03	1.61
Sales Promotion Expenses       10.69         Sample & Development Expenses       2.43         Total - C       18.55				
Sample & Development Expenses 2.43  Total - C 18.55				12.20
Total - C 18.55				3.97
				3.35
101311078TLJ		Total (A+B+C)	337.32	21.13 351.54



- **31.** The Company is operating in single segment i.e. Textiles and thus there is no reportable segments as per Indian Accounting Standard (Ind AS) 108 "Operating Segment". There is no reportable geographical segment either.
- **32.** As per Indian Accounting Standard 24 "Related Party Disclosures", the disclosure of Related Parties and transactions with them are given below:

#### A. List of related parties and nature of relationship

#### i) Subsidiaries and Fellow Subsidiaries:

India Denim Limited - Subsidiary

Konark Infratech Private Limited - Associates (Ceased from 30th October, 2024)

Konark Gujarat PV Private Limited - Subsidiary of Konark Infratech Private Limited (Ceased from 30th October, 2024)

# ii) Individual having significant influence:

Smt. Raka Devi Dalmia - Share Holder

#### iii) Key Managerial Personnel (KMP) and Relative:

Mr. Shonit Dalmia - Managing Director

Mr. R.B. Somany - Chief Financial Officer

Ms. Prerna Goyal - Company Secretary

Mr. Nikunj Gatecha - Company Secretary(Resigned from 07th May'24)

Ms. Shikha Dalmia - Relative of Director

Ms. Namarta Dalmia - Relative of Director

# (iv) Enterprise over which Key Management Personnel are able to exercise significant influence:

M/s Konark Silk Mills

M/s Konark Realtech Private Limited

# B) Transactions with Related Parties:

#### Figures in bracket belongs to previous year

	Subsidiaries	Individual	KMP and Enterprise over		
Particulars	and Fellow Subsidiaries/ Associates	having significant influence	Relatives of KMPs	which KMP have significant influence	Total
Remuneration &	-	-	26.33	-	26.33
Perquisites			(19.85)		(19.85)
Salary	-	=	37.41	-	37.41
			(36.29)		(36.29)
Rent Expenses	-	-	-	1.08	1.08
				(1.08)	(1.08)
Loan Taken	-	=	=	278.45	278.45
				(326.55)	(326.55))
Loan Repaid				150.28	150.28
				(141.41)	(141.41)
Interest Income	-	-	-	-	-
	(99.28)				(99.28)

# C) Disclosures of material transactions with Related Parties as mentioned above:

Particular	2024 – 2025	2023 - 2024
Managerial Remuneration & Perquisites		
Shonit Dalmia	26.33	19.85
Salary Paid		
R.B. Somany	15.60	15.60
Nikunj Gatecha	0.20	1.21
Prerna Goyal	0.56	1.48
Sikha Dalmia	6.00	6.00
Namrata Dalmia	15.00	12.00
Rent Paid		
Konark Silk Mills	1.08	1.08



Loans Taken		
Konark Realtech Pvt. Ltd.	278.45	326.55
Loans Repaid		
Konark Realtech Pvt. Ltd.	150.28	141.41
Interest Income		
Konark Infratech Pvt. Ltd	-	90.28

# D) Balances with the Related Parties as at 31st March, 2025

Particulars	Subsidiaries Associates and Fellow	Individual having significant	KMP and Relatives of KMPs	Enterprise over which KMPs have significant	Total
	Subsidiaries	influence		influence	
Remuneration &	-	-	8.70	-	8.70
Perquisites			(1.70)		(1.70)
Salary	-	=	25.73	=	25.73
			(15.03)		(15.03)
Rent Expenses	-	=	-	2.02	2.02
		-		(0.94)	(0.94)
Loan Taken	-	=	=	1097.25	1097.25
				(969.09)	(969.09)
Loan Given	56.96	=	=	=	56.96
	(809.29)				(809.29)
Investments in	848.48	=	=	=	848.48
Equity Shares	(851.68)				(851.68)
Guarantee Given	2706.00	=	-	=	2706.00
	(7306.00)				(7306.00)

# 33. Earning Per Share (EPS):

Particulars	2024-25	2023-24
a) Basic earnings per share (After Exceptional Items) (In Lacs.)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(308.28)	12.78
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (After Exceptional Items)	(5.31)	0.22
b) Basic earnings per share (Before Exceptional Items) (In Lacs.)		
Profit attributable to the equity holders of the company (Before Exceptional Items)	(104.77)	14.05
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (Before Exceptional Items)	(1.80)	0.25
c) Diluted earnings per share (After Exceptional Items) (In Lacs)	L	
Profit attributable to the equity holders of the company (After Exceptional Items)	(308.28)	12.78
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (After Exceptional Items)	(5.31)	0.22
d) Diluted earnings per share (Before Exceptional Items) (In Lacs.)	L	
Profit attributable to the equity holders of the company (Before Exceptional Items)	(104.77)	14.05
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (Before Exceptional Items)	(1.80)	0.25

# 34. Contingent Liability/ Capital Commitments

The Bankers of the Company have given Guarantees to various Government Authorities amounting to Rs.1.50 Lac (P.Y. Rs.1.50 Lac) for which the Company has given counter guarantee and margin money in form of fixed deposit/current account to the



bankers amounting to Rs.1.50 Lac (P.Y. Rs. 1.50 Lac).

The Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs.Nil Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private( which was ceased as on 30<sup>th</sup> October,2024) Limited against Term Loan and Working Capital Facilities sanctioned to the said companies.

The company has no capital and other commitments as on the Balance Sheet date.

The above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company.

- **35.** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance Sheet realizable in the ordinary course of business. Trade Receivables, Trade Payables & Advances are subject to confirmation and / or reconciliation with parties.
- 36. Additional information as per Revised Schedule III:

#### **Raw Material Consumed:**

Particulars	Consumption
Yarn	764.62
	(751.91)
	764.62
Total	(751.91)

#### **Raw Material Purchased**

Particulars	Purchases
Yarn	764.36
	(740.30)
Total	764.36
	(740.30)

#### Manufactured Goods, Sales Value, Closing Inventory and Opening Inventory:

Particulars	Sales Value	Closing Inventory	Opening nventory
Manufactured Goods			
Yarn	1322.31	208.73	105.50
	(1328.15)	(105.50)	(181.21)
Total	1322.31	208.73	105.50
	(1328.15)	(105.50)	(181.21)
Traded Goods			
Fabric	3351.25	1697.24	1490.46
	(3016.92)	(1490.46)	(1160.05)
Total	3351.25	1697.24	1490.46
	(3016.92)	(1490.46)	(1160.05)

# **Work in Process**

Particulars	Work in Process 2024-2025	Work in Process 2023-2024
Yarn	24.97	110.59
Total	24.97	110.59

#### 37. Auditors Remuneration:

Particulars	2024–25	2023-24
Statutory Audit Fees	2.20	2.20
Tax Audit Fees	0.55	0.55
For Certification & Review	0.75	0.55
For Others	-	-
Total	3.50	3.30

- **38.** As on the Balance Sheet date, the Company does not have any Foreign Currency Exposure. Disclosure in respect to hedging of Foreign Currency by a derivative instrument or otherwise thereof is not applicable.
- 39. Disclosure pursuant to Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 186 of the Company Act, 2013:



- **A.** Details of investments made are given in note 5
- **B.** Details of loans given by the Company in accordance with Section 186 of the Act read with rules issued thereunder are as follows (the previous year figures are shown in brackets):

Name of the Company	Amount Outstanding 31 <sup>st</sup> March, 2025	Maximum Outstanding during the Year
India Denim Limited	56.97 (56.97)	56.97 (56.97)
Konark Infratech Pvt. Ltd.	(752.30)	752.30 (752.30)

Loans & Advances shown above fall under the category of Short-Term Loans and the same are in nature of Loans and are repayable on demand. The loan of Konark Infratech Pvt. Ltd. is interest bearing.

C. Details of guarantees issued by the Company are as follows:

Guarantees outstanding, given on behalf of	Purpose	Amount Outstanding 31 <sup>st</sup> March, 2025
India Denim Limited	Against Bank Borrowings	2706.00 (2706.00)
Konark Gujarat PV Private Limited	Against Bank Borrowings	- (4600.00)

40. Disclosures regarding Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties:

A. Loans repayable on Demand

Type of Borrower	Amount of loan or advance in the nature of loan outstanding as on March 31, 2025	Percentage to the total Loan and Advances in the nature of loans
Related Parties	56.96	100.00%

# 41. Key Financial Ratios

Sn	Particulars	As at 31st	As at 31st	Deviatio	Reason for deviation (more than
		March 2025	March 2024	n	25%)
1	Current ratio (in times)	1.06	1.10	0.03	Not Applicable
2	Debt equity ratio (in times)	1501.06	10.08	(147.95)	Company paid borrowing during the year
3	Debt service coverage ratio (in times)	3.73	14.01	0.73	Not Applicable
4	Return on equity ratio (in %)	(197.34)	4.66%	43.46	Company incurred losses during the year
5	Inventory turnover ratio (in times)	2.10	2.18	0.04	Not Applicable
6	Trade receivables turnover ratio (in times)	3.26	3.85	0.15	Not Applicable
7	Trade payables turnover ratio (in times)	3.64	4.70	0.23	Not Applicable
8	Net capital turnover ratio (in times)	17.10	12.79	(0.34)	Not Applicable
9	Net profit ratio (in %)	(0.07)	0.29	1.23	Not Applicable
10	Return on capital employed ratio (in %)	(0.03)	0.37	1.09	Not Applicable
11	Return on investment ratio (in %)	-	-	-	NA



# Details of numerator and denominator taken for calculation of above ratio

Sn	Particulars Particulars	Numerator Taken in above formula	Denominator Taken in above formula
1	Current ratio (in times)	Current Assets	Current Liabilities
2	Debt equity ratio (in times)	Short term debts + Long term debts	Total Shareholders' equity
3	Debt service coverage ratio (in times)	Earnings before depreciation & amortisation, interest and taxes	Debt Service
4	Return on equity ratio (in %)	Profit for the Period	Avg. Shareholders' Equity
5	Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory
6	Trade receivables turnover ratio (in times)	Net Credit Sales	Average Accounts Receivable
7	Trade payables turnover ratio (in times)	Total Purchase	Average Accounts Payable
8	Net capital turnover ratio (in times)	Net Sales	Average Working Capital
9	Net profit ratio (in %)	Net Profit After Tax	Revenue from operations
10	Return on capital employed ratio (in %)	Earnings before Interest and Taxes	Average Capital Employed
11	Return on investment ratio (in %)	Return/Profit/Earnings	Investment

# 42. Summary of reconciliation of Statement of Current assets filed with the bank or financial institution:

(Rupees in Lakhs)

Quarter Ended on	Amount of Current Assets as filed with the Bank (A)	Amount of Current Assets as per Books (B)	Difference, if Any (A-B)	Reason for Discrepancies, if any
June, 2024	3100.61	3030.80	69.72	The quarterly statements were submitted to bank based on the Cost method of stock valuation
September, 2024	3361.17	3332.08	29.09	whereas, during the quarterly review/audit the stock was valued at lower of Cost or Net
December, 2024	3565.18	3625.68	-60.50	Realizable Value
March, 2025	3920.12	4093.33	-173.21	1

# 43. Registration or Satisfaction of Charges pending with Registrar of Companies (ROC) beyond the statutory period:

Asset under charge	Name of Charge Holder	Creation or Satisfaction	Amount in Lakhs	Reason of non-registration or satisfaction of charge
Corporate Guarantee for India Denim Ltd	Bank of Baroda, State Bank of India and Indian Bank	Creation	2,706.00	As per the banker, Corporate Guarantee given in case of borrowing is contingent in nature and does not amount to a charge. Hence charge not created by banker.
Vehicles	Kotak Mahindra Prime Ltd	Satisfaction	18.87	Satisfaction of charges is pending.
Vehicles	HDFC Bank Ltd	Satisfaction	7.95	Satisfaction of charges is pending.
Vehicles	Tata Capital Financial Services Ltd	Satisfaction	27.79	Satisfaction of charges is pending.
Vehicles	Tata Capital Financial Services Ltd	Satisfaction	39.20	Satisfaction of charges is pending.
Immovable Property	PNB Housing Finance Ltd	Satisfaction	104.00	Satisfaction of charges is pending.
Property	ICICI Bank Ltd	Satisfaction	576.00	Satisfaction of charges is pending.



# 44. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

**45.** The Financial Statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with those of the Current Year.

# As per our reports of even date attached

For and on behalf of the Board

For Bhuwania & Agrawal Associates

**Chartered Accountants** 

Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No.171789

Place : Mumbai Date : 30<sup>th</sup> May, 2025 Shonit Dalmia
Managing Director

Prerna Goyal

Company Secretary & Compliance Officer

**Anshul Agrawal** 

Director

R.B. Somany Chief Finance Officer



#### INDEPENDENT AUDITOR'S REPORT

To the members of KONARK SYNTHETIC LIMITED

Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of KONARK SYNTHETIC LIMITED ("the Holding Company"), its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group") its associates Comprising of Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associates the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 As amended("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2025, its consolidated Profit (including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiaries and Associates audited by the other auditors, to the extent it relates to the Subsidiaries and Associates and, in doing so, place reliance on the work of the other auditors and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the Subsidiary is traced from the financial statements audited by the other auditors.

When we read the above other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Management Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provision of the act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the directors of the



holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Group'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 respective board of directors of the companies included in the group and of its associates are also responsible for overseeing the financial reporting process of the group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and
  perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our
  opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may
  involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group and its associate 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain Sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, Supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled 'Other Matters' to this audit report.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements.

We communicate with those charged with governance of holding company and such other entities included in consolidated financial statement of which we are independent auditor 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.

Other Matters:

We draw attention to the following matters:

a. One Associate company whose interim consolidated financial results/financial information/financial statements include the Group's share of net loss after tax of Rs. 33.17 lakhs for the year ended 31st March 2025, as considered in the Statement whose interim financial results/financial information/financial statements have been reviewed by their respective auditors.

The independent auditor's reports on interim financial results/financial information/financial statements have been furnished to us by the



Management and our conclusion on the Statement in so far as it relates to the amounts and disclosures in respect of this Associate company.

b. One Subsidiary company namely India Denim Limited is under Corporate Insolvency Resolution Process as per the order number CP(IB)/361/AHM/2019 dated 22/09/2023 passed by the Hon'ble NCLT, Ahmedabad. The board of the company was suspended from the same date and the Resolution Professional (RP) was appointed for the same. The interim financial results/financial information/financial statements for the said company was not available and hence the profit/loss of the subsidiary company is not considered while preparing the Unaudited Consolidated Financial Results for the holding company. The company has already made full provision for the investment made in the same subsidiary company.

Our opinion is not modified in respect of these matters.

c. The annual Consolidated financial results which state that the results for the quarter ended 31st March 2025 and 31st March 2024 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter to the relevant financial year, which are subject to limited review by us, as required under the Listing Regulations.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statement and other financial information of subsidiaries and associates as noted in the other matter paragraph 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 purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - c)The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Statement of Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow and notes to the consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Financial Statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015, as amended except Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits" as mentioned in other matter paragraph.
  - e) On the basis of the written representations received from the directors of holding company as on March 31, 2025 taken on record by the Board of Directors of Holding company and report of statutory auditors of its subsidiaries and associates, none of the directors of group company are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy and operating effectiveness of the Internal financial controls over financial reporting with reference to these consolidated financial statements of the holding company and its subsidiaries and associates, refer to our separate report in "Annexure A" to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
    - In our Opinion and based on the consideration of reports of other statutory auditors of subsidiaries and associates incorporated in India the Managerial Remuneration for the year ended March 31, 2025 has been paid/provided by the Holding company, subsidiaries and associates to its directors in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and associates as noted in other matters paragraph:
    - Note 35 of the Consolidated financial statements disclose the impact of pending litigations on its financial position of the group and its associate in consolidated financial statements.
    - ii. Provisions has been made in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. No amount was required to be transferred, to the Investor Education and Protection Fund by the Holding company, subsidiary and its associate.
    - iv. (a) The respective Managements of the Company, its subsidiaries and associates, have represented that, to the best of their 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 or any of the subsidiaries or associates 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 respective Managements of the Company, its subsidiaries and associates, has represented that, to the best of their knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the Company or any of the subsidiaries or associates from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of the subsidiaries or associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in my 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 performed by us, 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. Since the Holding Company has not declared or paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the paragraph 3 and 4 of the Order

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania (Partner)

Membership No.: 171789

UDIN : 25171789BMIPMR5041

Date : 30/05/2025 Place : Mumbai



#### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of KONARK SYNTHETIC LIMITED ("the Holding Company") and its subsidiary and associate which are companies incorporated in India, as of March 31, 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to holding 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 holding Company and its subsidiary companies, 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 Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania

(Partner)

Membership No.: 171789

UDIN : 25171789BMIPMR5041

Date : 30/05/2025 Place : Mumbai



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

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

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the Consolidated Ind AS Financial Statements.

For BHUWANIA & AGRAWAL ASSOCIATES (Chartered Accountants) (Firm Registration no. 101483W)

Shubham Bhuwania (Partner)

Membership No.: 171789

: 25171789BMIPMR5041

**UDIN** : 30/05/2025 Date Place : Mumbai



# Konark Synthetic Limited CIN:L17200MH1984PLC033451

# Consolidated Balance Sheet as at March 31, 2025

	All amount are in I		
Assets	Note No.	As at March 31,2025	As at March 31,2024
Non-current Assets			
(a) Property, Plant and Equipment	5	158.89	429.2
(b) Capital work-in-progress		-	
(c) Intangible assets		1.02	1.0
(d) Financial Assets			
(i) Investments	6	0.03	389.7
(ii) Others	7	56.18	54.6
(e) Other non-current assets		-	
(f) Defferred Tax assets		-	
Total Non-current assets		216.12	874.7
Current Assets			
(a) Inventories	8	1,961.92	1,738.0
(b) Financial Assets	Ŭ	1,001.02	1,700.0
(i) Trade Receivables	9	1,874.62	991.1
(ii) Cash and cash equivalents	10	36.87	33.8
(iii) Bank balances other than above		-	00.0
(iv) Loans	11	73.31	825.7
(iv) Investment	''	70.01	020.7
	12	_	
(v) Others	13	102.82	100.3
(c) Current Tax Assets (Net)	10	102.02	100.5
(d) Assets classified as held for sale	14	636.47	184.2
(e) Other Current Assets	14	4,686.01	3.873.3
Total current assets		4,902.13	4,748.0
Total Assets Equity and Liabilities	Note	As at	As at
	No.	March 31,2025	March 31,2024
Equity			
(a) Equity Share Capital	15	580.80	580.8
(b) Other Equity	16	1,700.00	2,394.7
(c) Non-Controlling Interest		(2,278.79)	(2,278.79
Total Equity		2.02	696.7
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	446.57	481.9
(b) Provisions	18	40.41	36.3
(c) Deferred tax Liabilities (Net)	19	0.45	0.4
Total non-current Liabilities	19	487.42	518.7
Current Liabilities		401.42	310.7
Corrent Liabilities			
			0.040.4
(a) Financial Liabilities	00	0.504.00	
(a) Financial Liabilities (i) Borrowings	20	2,581.83	2,640.4
(a) Financial Liabilities (i) Borrowings (ii) Trade Payables		,,,,,,	,
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> </ul>	21	7.86	8.9
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> </ul>	21 rises."	7.86 1,601.39	8.9 641.7
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> <li>(iii) Other Financial Liabilities</li> </ul>	21 rises."	7.86 1,601.39 48.94	8.9 641.7 91.7
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> <li>(iii) Other Financial Liabilities</li> <li>(b) Other Current Liabilities</li> </ul>	21 rises."	7.86 1,601.39	8.9 641.7 91.7
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> <li>(b) Other Financial Liabilities</li> <li>(c) Current Tax Liabilities (Net)</li> </ul>	21 rises." 22 23	7.86 1,601.39 48.94 171.81	8.9 641.7 91.7 146.3
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> <li>(iii) Other Financial Liabilities</li> <li>(b) Other Current Liabilities</li> <li>(c) Current Tax Liabilities (Net)</li> <li>(d) Provisions</li> </ul>	21 rises."	7.86 1,601.39 48.94 171.81 - 0.85	8.9 641.7 91.7 146.3
(a) Financial Liabilities (i) Borrowings (ii) Trade Payables (a) total outstanding dues of micro enterprises and small enterprises~ and (b) total outstanding dues of creditors other than micro enterprises and small enterprises.  (b) Other Current Liabilities (c) Current Tax Liabilities  Total current Liabilities	21 rises." 22 23	7.86 1,601.39 48.94 171.81 - 0.85 <b>4,412.69</b>	8.9 641.7 91.7 146.3 3.2 <b>3,532.</b> 4
<ul> <li>(a) Financial Liabilities</li> <li>(i) Borrowings</li> <li>(ii) Trade Payables</li> <li>(a) total outstanding dues of micro enterprises and small enterprises~ and</li> <li>(b) total outstanding dues of creditors other than micro enterprises and small enterprises</li> <li>(iii) Other Financial Liabilities</li> <li>(b) Other Current Liabilities</li> <li>(c) Current Tax Liabilities (Net)</li> <li>(d) Provisions</li> </ul>	21 rises." 22 23	7.86 1,601.39 48.94 171.81 - 0.85	2,640.4 8.9 641.7 91.7 146.3 3.2 3,532.4 4,051.2 4,748.0

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

# As per our report of even date attached For Bhuwania & Agrawal Associates

**Chartered Accountants** 

Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No: 171789

Place : Mumbai Date: 30th May, 2025 For and on behalf of the Board of directors

**Shonit Dalmia** (Managing Director)

**Anshul Agrawal** 

(Director)

Prerna Goyal (Company Secretary & Compliance officer)

R.B. Somany (Chief Finance Officer)



# Konark Synthetic Limited CIN:L17200MH1984PLC033451

# Statement of Consolidated Profit and Loss for the Year ended March 31,2025

All amount are in INR (Lakhs) otherwise stated

For and on behalf of the Board of directors

			All amount are in INR (Lakhs) otherwise stated					
	Particulars	Note No.	For the year	For the year				
			Ended	Ended				
			March 31,2025	March 31,2024				
I.	Income			•				
	Revenue from operations	25	4,673.56	4,360.44				
	Other Income	26	2.61	108.23				
	Total Revenue (I)		4,676.17	4,468.68				
п.	Expenses		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,				
	Cost of Material Consumed	27	764.62	751.90				
	Purchase of Stock-in-trade		3,338.26	3.027.64				
	Change in inventories of finished goods/stock in trade	28	(224.40)	(257.89)				
	Employee benefit expenses	29	144.24	153.88				
	Finance Costs	30	293.06	325.31				
	Impairment of financial assets		44.90	-				
	Depreciation and amortisation expenses	5	83.17	99.40				
	Other Expenses	31	337.32	351.54				
	Total Expenses (II)	"	4,781.15	4,451.78				
ш	Profit / (loss) before Share of Profit/(Loss) in Associates,		.,	.,				
	exceptional items and income tax (I-II)		(104.98)	16.89				
IV	Share of Profit/(Loss) in Associates		(33.17)	2.31				
v	Profit / (loss) before exceptional items and tax (III+IV)		(138.15)	19.20				
VI	Exceptional item							
	- Rebates & Claims Recevied		529.84	-				
	- Profit / (Loss) on sale of Fixed Assets/ Store		(24.98	(1.61)				
	- Reversal of Interest Income		(758.32)	-				
VII	Profit / (Loss) before tax (V + VI)		(341.66)	17.59				
VIII	Tax expenses							
	Current tax		-	2.50				
	DeferredTax		(0.21)	-				
	Tax expense for earlier years		-	-				
IX	Profit / (Loss) for the year (VII - VIII)		(341.45)	15.09				
Х	Other Comprehensive Income							
	Items that will not be classified to profit or loss							
	- Remeasurement gain/(loss) on defined benefit plans		0.79	1.72				
	- Income tax relating to remeasurement (gain)/loss on above		(0.21)	(0.45)				
ΧI	Other Comprehensive Income for the year		0.59	1.27				
╚	Total Comprehensive Income for the year (X+XI)		(340.87)	16.36				
	Net Profit Attributable to:							
	a) Owners of the Company		(341.45)	15.09				
	b) Non-Controlling Interest		-	-				
	Other Comprehensive Income Attributable to: a) Owners of the Company		0.59	1.27				
	b) Non-Controlling Interest		0.09	1.27				
	Total Comprehensive Income Attributable to:							
	a) Owners of the Company		(340.87)	16.36				
	b) Non-Controlling Interest			-				
Х	Earnings Per Equity Share of Face Value of Rs.10 each							
^	Basic – After Exceptional Items		(5.88)	0.26				
	Basic – Refore Exceptional Items		(2.38)	0.29				
	Diluted – After Exceptional Items		(5.88)	0.29				
	•		(2.38)	0.29				
لــــــا	Diluted – Before Exceptional Items		(2.30)	0.29				

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

# As per our report of even date attached For Bhuwania & Agrawal Associates

Chartered Accountants

Firm Registration No: 101483W Shonit Dalmia (Managing Director) Anshul Agrawal (Managing Director)

(Shubham Bhuwania)

Partner

Membership No: 171789

Place : Mumbai Prerna Goyal R.B. Somany
Date : 30th May, 2025 (Company Secretary & Compliance officer)

R.B. Somany
(Chief Finance Officer)



# Konark Synthetic Limited CIN:L17200MH1984PLC033451

# Statement of Consolidated Cash Flow Statement for the Year ended March 31,2025

All amount are in INR (Lakhs) otherwise stated

Particulars	For the year		For the year ended 31st March, 2024		
D. Cash flow from operating activity			,	T	
Net Profit before tax & Extra Ordinary Items			(341.66)		17.59
Adjustment for: Depreciation		83.17	` ′	99.40	
Interest paid		293.06		325.31	
Reversal of Interest Income		758.32		-	
Provision for Impairment		44.89		_	
(Profit)Loss on Sale of Fixed Assets		(24.98)		1.61	
Prior Period & Extra Ordinary Items		0.12		(2.36)	
,		(1.92)		(94.40)	
Interest Income (considered Seperately)			1152.67	(5.1.15)	329.56
Operating Profit before working capital changes Working Capital Changes			811.01		347.15
((Increase)Decrease in Trade Receivables (Increase)		(928.42)		313.87	
Decrease in Loans & Advances & other receivables		298.70		(95.12)	
(Increase)Decrease in Inventories		(223.88)		(246.41)	
Increase(Decrease) in Trade Payable & other payables		220.72	(632.88)	(194.97)	(222.97)
Cash Generated From operations			178.13	, ,	75.06
Income Tax Paid			(4.96)		14.32
Cash Flow Before Prior Period & Extra Ordinary Items			173.18		138.85
Prior Period & Extra Ordinary Items			(0.12)		2.36
Net Cash Flow From Operating Activities	(1)		173.06		141.21
II Cash Flow From Investing Activities					
Purchase of Fixed Assets		(1.69)		(0.85)	
Interest Income		1.75		2.43	
Advance Received against Sale of Land and Building		-		15.00	
Sale of fixed assets		217.00		3.00	
Net Cash Outflow for investing Activities	(II)		217.06		19.58
Cash flow after investing activities	(III)=(I-II)		390.12		160.78
Cash Flow From Financing Activities	(, (,				
Proceeds from Long term borrowing (Net of Repayments)		(93.99		176.83	
Proceeds from Short term borrowing (Net of Repayments)		-		-	
	1	(293.06)		(325.31)	
Interest paid  Net Cash Flow from financing activity	(IV)		(387.05)		(148.47)
Increase in cash and cash equivalents	(IV) (V)=(III-IV)		3.07		12.31
	(v)=(III-IV)	Γ	33.80		21.48
Cash & Cash Equivalent (Opening Balance)			36.87		33.80
Cash &cash equivalent(Closing balance)	(///)	Γ	3.07		12.31
Increase in cash & cash equivalent Summary of significant accounting policies	(VI)	4			

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached For Bhuwania & Agrawal Associates

Chartered Accountants

Firm Registration No: 101483W Shonit Dalmia (Managing Director)

(Shubham Bhuwania)

Partner

Membership No : 171789 Place : Mumbai

Date : 30th May, 2025 (Company Secretary & Compliance officer)

For and on behalf of the Board of directors

Anshul Agrawal (Director)

R.B. Somany (Chief Finance Officer)

Prerna Goyal



# Konark Synthetic Limited Consolidated Statement of changes in equity as at March 31, 2025

# A. Equity Share Capital

All amount are in INR ( Lakhs) otherwise stated

Balance as at April1,2024		share capital due	Changes in equity Restated balance as st share capital due to prior period errors April1,2024		share cap	es in equity ital during the year	Balance as at March 31,2025		
	580.80	-		580.80		-	580.80		
Balance as at April1,2023		Changes in equit share capital due prior period error	to Apr	balance as st il1,2023	Changes i share capit the y	al during	Balance as a 31,202		
,	580.80	-	5	80.80	-		580.8	0	
В.	Other Equity								
F	Particulars		Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total	
Balance	e as at 01st Apri	I, 2024	40.00	688.07	25.00	597.51	1,044.19	2,394.77	
Add : P	rofit/(Loss) for t	he year	-	-	-	-	(341.45)	(341.45)	
Add : O	ther Comprehe	nsive Income for the	-	-	-	-	0.59	0.59	
	Adjustment of Ko	onark Infratech due .24					(353.78)	(353.78)	
Add : P	rior Period Adjus	stment	-	-	-	-	(0.12)	(0.12)	
Balanc	e as at 31st Ma	rch. 2025	40.00	688.07	25.00	597.51	349.42	1700.00	

Particulars	Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2023	40.00	688.07	25.00	597.51	(4,842.55)	(3,491.97)
Add : Profit /(Loss) for the year	-	-	-	-	15.09	15.09
Add: Other Comprehensive Income for the	-	-	-	-	1.27	1.27
Add : Adjustment of India Denim Reserve due to non consolidated					5868.02	5868.02
Add : Prior Period Adjustment	-	-	-	-	2.36	2.36
Balance as at 31st March, 2024	40.00	688.07	25.00	597.51	1044.19	2394.77

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached For Bhuwania & Agrawal Associates

Chartered Accountants

Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No : 171789 Place : Mumbai Date : 30th May, 2025 For and on behalf of the Board of directors

Shonit Dalmia (Managing Director) Anshul Agrawal (Director)

Prerna Goyal (Company Secretary & Compliance officer) R.B. Somany (Chief Finance Officer)

# KONARK SYNTHETIC LIMITED Notes to the Consolidated Financial Statement for the year Ended March 31, 2025

#### Note 1 Corporate Information:

The Consolidated Financial Statements comprise financial statements of Konark Synthetic Limited ("the company") and its domestic subsidiary namely, India Denim Limited and Consolidated financial statements of associate concern Konark Infratech Private Limited (collectively "the Group") for the year ended March 31, 2025. The Company is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai -400059, India.

Group is engaged in the business of Trading and Manufacturing of Textile goods and also in Power generation.

#### Note 2 Basis of Preparation and Presentation:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS).

The Consolidated financial statements have been prepared as a going concern basis under the historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost if any.

The Consolidated financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

#### Note 3 Basis of Consolidation:

- a) The consolidated financial statements comprise the financial statement of the Company and its subsidiaries and associates as at 31st March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
- b) Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

#### Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) The consolidation financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements except otherwise stated elsewhere in this schedule. The Financial statements of the Company and its subsidiaries companies have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". In case an associate, company follows equity method of consolidation as per Ind AS.
- c) Non-Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- d) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.
- e) The details of the Subsidiaries, / Step-Down Subsidiaries and Associates in the consolidated financial statement are as follows:

Name of the Subsidiary Company	Financial Year of the Subsidiary/Associates company ended on	Extent of Holding/Subsidiary Company's Interest	Country of Incorporation
India Denim Limited	March 31, 2025	61.17%	India

#### **Note 4 Significant Accounting Policies:**

#### 4.1 Property Plant and Equipment:

Property, plant and equipment are carried at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Capital work in progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Depreciation on the Property plant and equipment is provided using straight line method over useful life of assets as specified in schedule II to the Companies Act,2013, Depreciation on Property Plant & equipment addition/deletion during the year has been provided on pro-rata basis from the date of such addition or upto date of such deletion as the case may be. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property plants and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits/Losses arising in the case of retirement/disposal of property plant and equipment are recognized in the statement of profit and losses in the year of occurrence.

Leasehold Lands are amortized over period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

#### 4.2 Intangible Assets:

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer software are capitalized at the amount paid to acquire the respective license for use and are amortized over period of useful lives. The assets useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

#### 4.3 Leases:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

#### 4.4 Inventories:

In general, all inventories of finished, work-in-progress etc. are stated at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw materials & Stores and Spares are stated at cost on FIFO basis. Waste and by product are valued at net realizable value. Cost of finished products are determined at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal level of activities.

In case of subsidiary company India Denim Limited, all the inventories are valued at Net Realisable Value.

#### 4.5 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### 4.6 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### 4.7 Financial instruments - initial recognition, subsequent measurement and impairment:

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

#### III) Financial assets - Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

# Financial assets - Subsequent measurement:

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured **at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow and

selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured **at fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

- a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

#### Financial assets - 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 Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

#### IV) Financial liabilities - Initial recognition and measurement:

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

#### Financial Liabilities - Derecognition:

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

#### 4.8 Current and non-current classification:

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

# An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading & manufacturing.
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

# A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading, & manufacturing.
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Group has identified twelve months as its normal operating cycle.

#### 4.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

In case of subsidiary company India Denim Limited, the Company have filled the appeal before ITAT against the assessment order passed by the CIT (A) for the assessment year 2013 -14 determining the demand of Rs.1223.82 Lakhs and the said appeal is pending before the ITAT. The company have not made any provision for the same.

# 4.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

#### 4.11 Sales & Purchase:

Revenue from sale of goods is recognized when significant risk and rewards of ownership of goods have passed to the buyer. Sales are recorded excluding GST, net of return, rate difference and sales claim. Purchases are recorded excluding GST, net of return, rate differences and purchase claims.

# 4.12 Foreign Currency Reinstatement and translation:

Transactions denominated in foreign currency are normally recorded at the customs exchange rate prevailing at the time of transaction. Monetary Items denominated in foreign currencies at the yearend are restated at year end rates. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable fixed asset is adjusted to the carrying cost of the fixed asset. All other exchange differences are dealt with in the Statement of Profit and Loss. Non monetary foreign currency items are carried at cost

#### 4.13 Borrowing Cost:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

In case of subsidiary company India Denim Limited, the secured loans from banks are classified as NPA during 2016-17 and 2017-18, since then no transactions are routed through the accounts, Interest /charges are not debited by the banks.

#### 4.14 Export Incentives:

Benefit on account of entitlement of Duty Draw Back and others are recognized as and when right to receive is established as per the terms of the scheme.

#### 4.15 Employee Benefit:

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected Unit Credit Method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss

The Gratuity and Other retirement benefits in case of its subsidiary India Denim Limited are recorded on cash basis.

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

#### 4.16 Taxes on Income

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

In case of subsidiary company India Denim Limited, the company has not followed the Ind AS 12 Income Taxes by maintaining the deferred tax asset of Rs.203.20 Lakhs despite the company incurring losses and had uncertainty of future taxable income.

#### 4.17 Earnings per share:

Basic earnings per share is computed using the 'net profit for the year attributable to the shareholders (Before and After Exceptional Items)' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the 'net profit for the year attributable to the shareholder (Before and After Exceptional Items)' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

# 4.18 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Property, plant and equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

#### Income Tax:

The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.

#### Contingencies

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

#### Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Defined benefits plan:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **Provisions:**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

# KONARK SYNTHETIC LIMITED Notes to the Consolidated Financial Statement for the year Ended March 31, 2025 Note 05 - Property, Plant And Equipment & Capital Work-In-Progress

# All amounts are in INR (Lakhs) unless otherwise stated

Description	Property, P	roperty, Plant and Equipment												Intangible Assets			
	Leasehold Land	Freehold Land	Office Building	Factory Buildings	ROU Building	Plant & Machineries	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	Software*	Internet	Total			
Gross carrying amount (at cost)																	
As at April 1, 2024	-	6.77	201.89	63.50	-	2,610.47	30.18	25.98	182.37	27.05	3,148.22	20.39	-	20.39	-		
Additions/Adjustments	-	-	-	-	-	-	-	1.69	-	-	1.69	-	-	-	-		
Deductions/Impairments	-	-	201.89	-	-	274.95	-	-	-	-	47684	-	-	-	-		
As at March 31, 2025	-	6.77	-	63.50	-	2,335.52	30.18	27.67	182.37	27.05	2,673.06	20.39	-	20.39	-		
Accumulated depreciation																	
As at April 1, 2024	-	-	26.38	58.00	-	2,394.55	27.81	22.10	164.51	25.63	2,218.98	19.37	-	19.37	-		
Depreciation for the year	-	-	0.39	1.14	-	76.32	0.23	0.91	4.03	0.14	83.17	-	-	-	-		
Deductions/Impairments	-	-	26.77	-	-	261.20	-	-	-	-	287.97	-	-	-	-		
As at March 31, 2025	-	-	-	59.14	-	2,209.67	28.04	23.00	168.54	25.77	2,514.17	19.37	-	19.37	-		
Net Carrying amount																	
As at 31st March 2024	-	6.77	175.52	5.50	-	215.92	2.37	3.89	17.85	1.42	429.24	1.02	-	1.02	-		
As at 31st March 2025	-	6.77	-	4.36	-	125.85	2.13	4.67	13.82	1.28	158.89	1.02	-	1.02			

Other intangiable assets represents Computer software other than self generated goodwill Freehold land are not depreciated

# All amounts are in INR (Lakhs) otherwise stated

# As at 31st March,2025

# As at 31st March,2024

	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.)	Rs.	Extent of Holding (%)	No. of Shares/ Units	Face Value ( Rs.)	Rs.
A. In Equity Instruments:								
Unquoted Fully Paid -up								
Carried at Cost								
Investment in Associates (Equity Method)								
Konark Infratech Private Limited	26.92	28,000	10.00	2.80	26.92	28,000	10	2.80
Share in post acquisition profits				_				386.96
Others								
Silvassa Co-op. Society Limited	d	10.00	100.00	0.01		10.00	100.00	0.01
The City Co-op. Bank Ltd.		40.00	25.00	0.02		40.00	25.00	0.02
Quoted Fully Paid -up								
Carried at cost								
Sun Earth Ceramics limited		6,800	10.00	2.04		6,800	10.00	2.04
Total Equity Instruments				2.07				391.83
Less: Provision for dimunition in the value of Investments				2.04				2.04
Total				0.03				389.79

# 7 Non-Current Financial Assets - Others

Particulars	As at March 31,2025	As at March 31,2024
Bank deposits with more than 12 months maturity	0.48	0.45
Security Deposits Govts & Other	55.70	54.20
Total	56.18	54.65
8 Inventories		
Particulars	As at March 31,2025	As at March 31,2024
Inventories		
Raw Materials	12.32	12.58
Work in Progress	24.97	110.59
Finished Goods	208.73	105.50
Stores, Spares	18.65	
Stock in Trade	1,697.24	
Total	1,961.92	1,738.04
9 Current Financial Assets - Trade Receivables		
Particulars	As at	As at
	March 31,2025	March 31,2024
Undisputed Trade receivables		
(a) Unsecured, considered good;	1,243.98	317.26
(b) Having significant increase in Credit Risk	630.64	651.77
(c) Credit Impaired	256.79	233.96
Logo, Drovinian for Impairment	2,131.41	1,202.99
Less: Provision for Impairment		
(b) Unsecured considered good	-	-
<ul><li>(c) Having significant increase in Credit Risk</li><li>(d) Credit Impaired</li></ul>	- 256.79	233.96
(d) Gredit impaired	256.79 256.79	233.96 233.96
	1,874.62	969.03
St. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	1,074.02	303.03
Disputed Trade receivables	_	_
(a) Unsecured, considered good;	_	_
(b) Having significant increase in Credit Risk	_	_
(c) Credit Impaired	-	-
Less: Provision for Impairment		
(a) Unsecured, considered good;	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	•	-
Total	1,874.62	991.10

# Trade receivables ageing schedule as at 31st March,2025

	Less Tha		2-3	More Than		
	6 Month		1 – 2 Years	Years	3 Years	
Undisputed Trade receivables						
(a) Unsecured, considered good;	1243.6	0.31	-	-	-	1243.9
(b) Having significant increase in Cred	it Risk -	-	0.21	3.57	626.86	630.6
(c) Credit Impaired	1243.6	7 0.31	0.21	3.57	256.79 <b>883.65</b>	256.79 <b>2,131.4</b>
Less: Provision for Impairment	1243.0	0.31	0.21	3.37	663.03	2,131.4
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Cred	it Risk -	-	-	-	-	-
(c) Credit Impaired	-	-	=	=	256.79	256.7
	- 1243.67	- 7 0.31	- 0.21	- 3.57	256.79 626.86	256.7 1,874.6
Disputed Trade receivables	1243.07	0.31	0.21	3.37	020.00	1,074.0
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credi	t Risk -	-	-	-	-	-
(c) Credit Impaired	=	=	=	=	=	-
Loos Dravision for Impairment	-	-	-	-	-	-
Less: Provision for Impairment (a) Unsecured considered good	_	_	_	_	_	_
(b) Having significant increase in Credi	t Risk -	- -	- -	- -	-	_
(c) Credit Impaired	-	-	_	-	-	
•	-	-	-	-	-	
Total	1243.6	7 0.31	0.21	3.57	626.86	1,874.6
Trade receivables ageing schedule as	at 31st March,2024	ı				
Particulers	Outstanding for fo	ollowing periods	from due date	of payments		Tot
	Less Tha		1 – 2	2-3	More Than	
	6 Month	-1 Year	Years	Years	3 Years	
Undisputed Trade receivables						
(a) Unsecured, considered good;	315.95	1.19	0.13	-	-	317.2
(b) Having significant increase in Cred	it Risk -	-	-	46.98	626.86	626.
(c) Credit Impaired	-	-	-	-	221.89	221.8
	315.95	1.19	0.13	46.98	838.75	1,212.9
Less: Provision for Impairment						
	-	_	_	_	_	_
Less: Provision for Impairment (a) Unsecured considered good (b) Having significant increase in Cred	t Risk -	-	-	-	-	-
	it Risk -	- - -	- - -	- - -		- - 221.8
<ul><li>(a) Unsecured considered good</li><li>(b) Having significant increase in Cred</li></ul>	- -	-	-	- - -	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good     (b) Having significant increase in Cred     (c) Credit Impaired	-	-	-	- - - - 46.98	- 221.89	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables	- -	-	-	- - - 46.98	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good;	- - 315.95 -	-	-	- - - 46.98	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good; (b) Having significant increase in Credi	- - 315.95 -	-	-	- - - 46.98 - -	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good;	- - 315.95 -	-	-	- - - 46.98 - - -	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good; (b) Having significant increase in Credi (c) Credit Impaired  Less: Provision for Impairment	- - 315.95 -	-	-	- - - 46.98 - - -	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good; (b) Having significant increase in Credi (c) Credit Impaired  Less: Provision for Impairment (a) Unsecured considered good	315.95 - t Risk - - -	-	-	- - 46.98 - - - -	- 221.89 <b>221.89</b>	221.8
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good; (b) Having significant increase in Credi (c) Credit Impaired  Less: Provision for Impairment (a) Unsecured considered good (b) Having significant increase in Credi	315.95 - t Risk - - -	-	-	- - - 46.98 - - - -	- 221.89 <b>221.89</b>	221.8 221.8 991.1
(a) Unsecured considered good (b) Having significant increase in Cred (c) Credit Impaired  Disputed Trade receivables (a) Unsecured, considered good; (b) Having significant increase in Credi (c) Credit Impaired  Less: Provision for Impairment (a) Unsecured considered good	315.95 - t Risk - - -	-	-	- - - 46.98 - - - - -	- 221.89 <b>221.89</b>	221.8

Total	36.87	33.80
11 Current Financial Assets – Loans		
Particulars	As at March 31,2025	As at March 31,2024
Unsecured, considered good;		
- To Subsidaries	56.97	56.97
- To Associate concern	-	752.31
- To employees	16.34	16.46
Total	73.31	825.73
12 Current Financial Assets -Other Assets		
Particulars	As at March 31,2025	As at March 31,2024
Other Adavces	76.00	76.00
Less: Provision for Impairment	76.00	76.00
Total	-	
13 Current Tax Assets ( Net )		
Particulars	As at March 31,2025	As at March 31,2024
Advance Income Tax (Net of Provision)	102.82	100.37
Total	102.82	100.37
14 Other Current Assets		
Particulars	As at March 31,2025	As at March 31,202
Unsecured, Considered Good, unless otherwise stated:		
Receivable from Government Authorities & Others	25.00	23.
Prepaid Expenses	5.59	2.
Advances to creditors	65.79	63.0
Rebate & Discount Receviable	529.84	00.0
Interest Receivable	0.03	81.
Other Current Assets	10.21	14.
Total	636.47	184.:
15 EquityShareCapital		
B) Authorized		
Particulers	No of Shares	Amount In Rupees
As at April 1, 2024	1,50,00,000	1,500.00
Changes during the year	-	
As at March 31, 2025	1,50,00,000	1,500.00

# Issued, subscribed and paid up share

# **Movement in Equity Share Capital**

	No of shares	Equity Share Capital par value
Equity Share Capital		
As at April 1, 2024	58,08,000	580.80
Changes during the year	-	<u> </u>
As at March 31, 2025	58,08,000	580.80

# C) Rights, preference and restrictions attached to the shares

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of 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.

# **Konark Synthetic Limited**

Notes to Consolidated Financial Statements for the year ended March 31, 2025

All amounts are in INR (Lakhs) otherwise stated

# D) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	% holding in the class	As at March 31, 2025 No. of share held	As at March 31, 2024 No. of share held
Equity Shares of Rs. 10/- each			
Rakadevi Dalmia	17.36%	10.08	10.08
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	8.57
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	8.40
Prakashchand Dalmia (HUF)	5.80%	3.37	3.37
Shonit Dalmia	19.40%	11.26	11.26

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

E) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

F) Shares held by Promoter's

Shares held by Promoter's	0/ Halding	As at Marah	0/ Change	0/ balding in	As at March 24	0/ Change
Name of Proamters Equity Shares of Rs. 10/- each	% Holding in the	As at March 31, 2025 No. of share held	% Change during the year	% holding in the class	As at March 31, 2024 No. of share held	% Change during the year
Rakadevi Dalmia						
	17.36%	10.08	-	17.36%	10.08	-
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	-	14.75%	8.57	-
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	_	14.46%	8.40	-
Prakashchand Dalmia (HUF)	5.80%	3.37	_	5.80%	3.37	_
Shonit Dalmia	19.40%	11.26	=	19.40%	11.26	-
Prakashchand Dalmia	0.99%	0.58	-	0.99%	0.58	-
Amitabh Kejriwal	1.17%	0.68	-	1.17%	0.68	-
Smita R Kejriwal	1.05%	0.61	-	1.05%	0.61	-
Shikha Dalmia	0.01%	0.01	_	0.01%	0.01	_
	0.0170	43.55		0.0170	43.55	

# 16 Other Equity

Particulars	Capital Redemptio nReserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2024	40.00	688.07	25.00	597.51	1,044.19	2394.77
Add: Profit /(Loss) for the year	-	-	-	-	(341.45)	(341.45)
Add: Other Comprehensive Income for the year	-	-	-	-	0.59	0.59
Add : Adjustment of Konark Infratech due cessed as on 30th Oct.24					(353.78)	(353.78)
Add: Prior Period Adjustment	-	-	-	-	(0.12)	(0.12)
Balance as at 31st March 2025	40.00	688.07	25.00	597.51	349.42	1700.00

#### 17 Non-Current Financial Liabilities - Borrowings

Particu	ulars	As at March 31,2025	As at March 31,2024
Borrov a) Se	vings ecured Loan - Term Loan		
(i)	From Banks		
	Loan Against Property	446.57	481.99
(ii)	From Other		
	Loan Against Property	-	-
b) Un	secured Loan	-	-
To	otal	446.57	481.99

# Secured Loans-Term Loans of Konark Synthetic Limited

a. The loan of Rs. 561.77 Lacs (P.Y. 647.58 Lac) including Current Maturities of Long Term Borrowings under note no. 19 from IDBI Bank Ltd is secured against the flat of Shri Amitabh Kejriwal-Director, situated at Flat No. 101, Santusthi, Janki Kutir, Juhu Ville Parle, Juhu, Mumbai - 400049. The loan was also guaranteed as co-applicants by Directors Mr. Prakashchand Dalmia, Mr. Amitabh Kejriwal and Authorised Signatory Mr. Shonit Dalmia. Terms of Payment is 180 EMI of Rs. 845328/- including interest @10.15% p.a. floating

# All amounts are in INR (Lakhs) otherwise stated

18 Provisions	As at	As at
Particulars	March 31,2025	March 31,2024
Provisions	Mai on o 1,2020	Mai 011 0 1,2024
Provisions for Employee Benefits		
- Provision For Gratuity	40.41	36.33
Total	40.41	36.33
19 Deferred Tax Liabilities (Net)	As at March 31,2025	As at March 31,2024
Tax effect of items constituting deferred tax liabilities		
Remeasurement gain/(loss) on defined benefit plans	0.45	0.45
Total	0.45	0.45
20 Current Financial Liabilities – Borrowings		
Particulars	As at March 31,2025	As at March 31,2024
a) Loans repayable on demands		
(i) Secured -		
From Banks		
- Cash credit	1,369.38	1,394.86
(ii) Current maturities of long-term debts;		
Secured Loan	115.20	276.44
(ii) Unsecured -		
Loans from Related Parties	1,097.25	969.09
Total	2,581.83	2,640.40

# Secured Loans - Konark Synthetic Limited

Cash credit of Rs. 13.50 Crores has been sanctioned by Corporation Bank against paripassu first charge on inventory and book debts of the Company with margin of 25% on Stock and 40% on Book Debts; at interest rate of Base Rate+ 4.00%.

# **Unsecured Loans-**

Loans from related parties is from Konark Realtech Private Limited and is payable on demand.

# 21 Current Financial Liabilities - Trade Payables

Particular	rs	As at March 31,2025	As at March 31,2024
(i) Trade F	Payables		
a) T	Total outstanding dues of Micro and small enterprises	7.86	8.92
b) T	Total outstanding dues of trade payable other than Micro and small enterprises	1,599.37	640.81
c) C	Other	2.02	0.94
Т	<b>Fotal</b>	1,609.25	650.67

# Trade Payables ageing schedule: As at 31st March,2025

Particulers	Outstanding for following periods from due date of payments						
	Less Than	1-2	2 – 3	More Than	Total		
	1 Year	Year	Years	3 Years			
(i) MSME	3.66	1.73	1.49	0.98	7.86		
(ii) Other	1491.57	15.67	11.97	82.18	1601.39		
(iii) Disputed Dues – MSME	_	-	-	-	-		
(iv) Disputed Dues - Other	-	-	-	-	-		
	1495.23	17.40	13.46	83.16	1609.25		

# Trade Payables ageing schedule: As at 31st March,2024

Particulers	Outstandin	g for following pe	eriods from due da	te of payments	
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	7.06	0.88	-	0.98	8.92
(ii) Other	547.03	12.55	34.63	47.53	641.75
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	554.10	13.43	34.63	48.51	650.67

# 22 Current Financial Liabilities - Other Liabilities

Particulars	As at March 31,2025	As at March 31,2024
Other Financial Liabilities		
a) Interest accrued but not due on borrowings	3.86	5.55
b) Interest accrued and due on borrowings	-	25.04
c) Liability for expenses	17.13	3.63
d) Advance against Property	25.00	40.00
e) Advance from Customer	2.95	17.53
Total	48.94	91.76

# 23 Other Current Liabilities

Particulars		As at	As at	
		March 31,2025	March 31,2024	
a) Oth	ners			
i)	Taxes & duty	20.58	8.23	
ii)	Payable-ESIC, PF & Prof. Tax etc.	27.13	25.80	
iii)	Payable-Employee	124.10	112.32	
	Total	171.81	146.35	

# 24 Provisions

Particulars	As at March 31,2025	As at March 31,2024
Provisions		
Gratuity	0.85	0.78
Provision for Income Tax	-	2.50
Total	0.85	3.28
Sr. Particulars No.	For the Period ended 31.03.2025	For the Period Ended 31.03.2024
25 Revenue From Operations		
Sales		
Sale of Products	4,673.56	4,360.44
Other Operating Revenue	-	<u>-</u>
Total	4,673.56	4,360.44
26 Other Income		
Interest Income	1.92	94.40
Others*	0.69	13.83
Total *Others includes sundry balances W/off	2.61	108.23
27 Cost Of Material Consumed		
Raw Material Consumed		
Opening Stock	12.58	24.18
Add: Purchases	764.36	740.30
	776.94	764.48
Less: Closing Stock	12.32	12.58
Total	764.62	751.90
28 Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade		
Opening Stock – Process	110.59	101.39
Opening Stock – Finished	1,595.96	1,347.27
Total – A	1,706.55	1,448.66
Closing Stock – Process	24.97	110.59
Closing Stock – Finished	1,905.97	1,595.96
Total – B	1,930.95	1,706.55
(Increase) / Decrease in Stocks Total - A-B	(224.40)	(257.89)

Sr.	Particulars	For the Period	IR (Lakhs) otherwise sta For the Period
lo.		ended 31.03.2025 Amount (Rs.)	ended 31.03.2024 Amount (Rs.)
9 Em	ployee Benefits Expenses		
Sa	alaries, Wages & Bonus	135.75	144.25
Gr	atuity & other Allowances	4.93	4.83
Co	ontribution to Funds	0.86	1.49
Sta	aff Welfare Expenses	2.72	3.31
То	ıtal	144.24	153.88
0 Fin	ance Cost		
Int	erest Expenses	284.39	319.77
Ot	her Borrowing Cost	8.67	5.54
То	ital	293.06	325.31
1 Otl	ner Expenses		
A.	Manufacturing Expenses		
	Power & Fuel	139.22	132.97
	Stores & Spares & Packing Material Consumed	71.30	64.30
	Repair & Maintainance - Other (At Plants)	0.93	1.13
	Security Charges	4.91	5.86
	Labour Charges	6.02	48.60
		1.81	1.18
	Freight, Octroi & Cartage  Total – A	224.19	254.04
	I Otal – A	224.13	234.04
3. Ad	ministrative & general Expenses		
Ac	lvertisement Expenses	1.18	0.95
Ва	ink Charges	0.47	0.60
Co	onveyance Expenses	1.66	2.10
Ele	ectricity	1.84	1.74
Fil	ing Fees	0.25	0.34
Ins	surance	2.52	3.22
Int	erest/Penalty	3.96	4.33
	arketing Expenses & Brokerage	0.03	1.61
	embership & Subscription	3.86	4.01
	scellaneous Expenses/General Expenses	6.23	3.33
	utward Freight & Octroi	5.40	12.20
	estage Telegram	0.45	0.85
	inting & Stationery	0.53	0.81
	ofessional Fees/ Legal Expenses	36.78	13.38
	ent,Rates,Fees & Taxes	11.54	12.32
Re	epairs & Maintanance (Ohers)	6.22	7.68

Total (A+B)	337.32	351.54
Total B	113.13	97.50
- For Certification	0.75	0.55
- For Tax Audit	0.55	0.55
- For Statutory Audit	2.20	2.20
Auditors Remuneration:		
Vehicle Expenses	1.00	9.93
Travelling Expenses;	11.31	6.32
Telephone Expenses	1.29	1.64
Sample & Development Expenses	2.43	3.35
Sales Promotion Expenses	10.69	3.97
Gst Demand	-	0.33

# 32. Segment Reporting:

The group is operating in single segment i.e. Textiles and thus there is no reportable segments as per Indian Accounting Standard (IND AS) 108 "Operating Segment". There is no reportable geographical segment either:

**33.** As per Indian Accounting Standard 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

#### A. Related Parties:

#### I. Subsidiaries of Subsidiaries:

Konark Gujarat PV Private Limited - Subsidiary of Konark Infratech Private Limited (Ceased from 30th October, 2024)

# II. Individual having significant influence:

Smt. Rakadevi Dalmia - Share Holder

# III. Key Managerial Personnel and Relative:

Mr. Shonit Dalmia - Managing Director

Mr. R.B. Somany - Chief Financial Officer

Ms. Prerna Goyal - Company Secretary

Mr. Nikunj Gatecha - Company Secretary (Resigned from 07th May'24)

Ms. Shikha Dalmia - Relative of Director

Ms. Namrata Dalmia - Relative of Director

# IV. Enterprise over which Key Management Personnel are able to exercise significant influence:

M/s Konark Silk Mills

M/s Konark Realtech Private Limited

#### B. Transactions:

Particulars	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMP have significant influence	Total
Remuneration & Perquisites	-	26.33	-	26.33
		(19.85)		(19.85)
Salary	-	37.41	-	37.41
		(36.29)	-	(36.29)
Rent Expenses	-	=	1.08	1.08
	-	-	(1.08)	(1.08)
Loan Taken		-	278.45	278.45
		-	(326.55)	(326.55)
Loan Repaid			150.28	150.28
•			(141.41)	(141.41)

#### C. Disclosures of material transactions with Related Parties as mentioned above:

	2024-2025	2023-2024
Managerial Remuneration		
Shonit Dalmia	26.33	19.85
Salary Paid		

R.B. Somany	15.60	15.60
Nikunj Gatecha	0.26	1.21
Prerana Goyal	0.56	1.48
Shikha Dalmia	6.00	6.00
Namarta Dalmia	15.00	12.00
Rent Paid		
Konark Silk Mills	1.08	1.08
Loans Taken		
Konark Realtech Pvt. Ltd.	278.45	326.55
Loans Repaid		
Konark Realtech Pvt. Ltd.	150.28	141.41

#### D. Balances with the Related Parties as at 31st March, 2025 (Amount In Lacs except EPS)

Particulars	Subsidiaries and Fellow Subsidiaries	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMP have significant influence	Total
Remuneration &	-	-	8.70		8.70
Perquisites			(1.70)		(1.70)
Salary	=	=	25.73		25.73
•			(15.03)		(15.03)
Rent Expenses	=	=	-	2.02	2.02
				(0.94)	(0.94)
Loan Taken	=	=	-	1097.25	1097.25
				(969.09)	(969.09)

# 34. Earnings Per Share:

Particulars	2024-25	2023-24
a) Basic earnings per share (After Exceptional Items) (In Rs. Lacs)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(341.45)	15.09
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (After Exceptional Items)	(5.88)	0.26
b) Basic earnings per share (Before Exceptional Items) (In Rs. Lacs)	<u> </u>	
Profit attributable to the equity holders of the company (Before Exceptional Items)	(137.95)	16.70
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (Before Exceptional Items)	(2.38)	0.29
c) Diluted earnings per share (After Exceptional Items) (In Rs.)	l	
Profit attributable to the equity holders of the company (After Exceptional Items)	(341.45)	15.09
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (After Exceptional Items)	(5.88)	0.26
d) Diluted earnings per share (Before Exceptional Items) (In Rs.)	l	
Profit attributable to the equity holders of the company (Before Exceptional Items)	(137.95)	16.70
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (Before Exceptional Items)	(2.38)	0.29

#### 35. Contingent Liability / Capital Commitments:

The Bankers of the Parent Company have given Guarantees to various Government Authorities amounting to Rs.1.50 Lacs (P.Y. Rs.1.50 Lacs) for which the Company has given counter guarantee and margin money in form of fixed deposit/current account to the bankers amounting to Rs.1.50 Lacs (P.Y. Rs. 1.50 Lacs).

The Parent Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs.Nil Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited (which was ceased as on 30th October,2024) against Term Loan and Working Capital Facilities sanctioned to the said companies.

The company has no capital and other commitments as on the Balance Sheet date.

The above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company.

- **36.** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance Sheet realizable in the ordinary course of business. Sundry Debtors, Creditors & Advances are subject to confirmation and /or reconciliation with parties.
- **37.** As on the Balance Sheet date, the Company does not have any Foreign Currency Exposure. Disclosure in respect to hedging of Foreign Currency by a derivative instrument or otherwise thereof is not applicable.

#### 38. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

**39.** The Financial Statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with those of the Current Year.

As per our report of even date attached For Bhuwania & Agrawal Associates

Chartered Accountants Firm Registration No: 101483W

(Shubham Bhuwania)

Partner

Membership No: 171789

Place : Mumbai Date : 30th May, 2025 For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)

Prerna Goyal (Company Secretary R.B. Somany (Chief Finance Officer) & Compliance officer)

**Anshul Agrawal** 

(Director)

# **KONARK SYNTHETIC LIMITED**

CIN: L17200MH1984PLC033451

Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email: <a href="mailto:info@konarkgroup.co.in">info@konarkgroup.co.in</a>; Website: www.konarkgroup.co.in

# ATTENDANCE SLIP ANNUAL MEETING GENERAL MEETING – 30<sup>TH</sup> SEPTEMBER, 2025

(To be completed and presented at the Entrance)

Regd. Folio No. / DP ID & Client ID	
Name and address of shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No. of share(s) held	

I/We hereby my/our presence at the Annual General Meeting of the KONARK SYNTHETIC LIMITED to be held on the Tuesday, 30th
September, 2025 at 3.30 P.M. at the Registered office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road
Sakinaka, Andheri (East), Mumbai – 400059.

Signature of Member/Proxy/Representative

#### Note:

- 1. Please fill in the Folio / DP ID/client ID No., name and sign the Attendance slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
- 2. Please read the instructions for e-voting given. The Voting period starts from Saturday, 27<sup>th</sup> September, 2025 (09.00 a.m.) and end on Monday, 29<sup>th</sup> September, 2025 (5.00 p.m.). The voting module shall be disabled by CDSL for voting thereafter.

#### KONARK SYNTHETIC LIMITED

CIN: L17200MH1984PLC033451

Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email: <a href="mailto:info@konarkgroup.co.in">info@konarkgroup.co.in</a>; Website: www.konarkgroup.co.in

# 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]

# Annual General Meeting - 30th September, 2025

	Name of the Company Registered Office	: Konark Synthetic Limited : Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059		
	Name of the			
	Member (s)/ Joint holder (s)			
	Registered address			
	Email Id			
	Folio No/Client Id			
	DP ID			
	I/We, being a Member(s) of	shares of the above-named Company hereby appoint:		
1.	Name:			
	Address:			
	Email ID:			
	Signature:	, or failing him/her		
2.	Name:			
	Email ID:			
	Signature:	, or failing him/her		
3.	Name:			
	Email ID:			
	<b>0</b> 1 .			

: L17200MH1984PLC033451

CIN

as my/our proxy to attend and vote (on poll) for me/us on my /our behalf at the 41<sup>st</sup> Annual General Meeting of the Company to be held on Tuesday, 30<sup>th</sup> day of September, 2025 at 3.30 p.m. at the Registered office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059 and at any adjournment thereof in respect of such resolution as are indicated overleaf:

Resolution	Resolutions	Vote (Optional see note 2) Please mention no. of Shares)				
Number						
		For	Against	Abstain		
Ordinary Business:						
1.	Ordinary Resolution for:  a) To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the reports of the Directors' and Auditors' thereon  b) To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the reports of Auditors' thereon					
2.	Ordinary Resolution for:  To appoint a director in place of Mr. Shonit Prakashchand Dalmia Managing Director (DIN: 00059650), who retires by rotation offers himself for reappointment.					
Special Business						
3.	Re-appointment of Mr. Shonit Dalmia (DIN:00059650) as Managing Director of the company					

Signed this day of 2025	
Signature of Shareholder:	
organization of ortal or	Revenu
Signature of Proxyholder(s):	e Stamp of Re.1

# Note:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- 2. It is optional to indicate the preference. In case members leave the for, against or abstain column blank against any or all resolutions, their proxy will be entitled to vote in the manner as he/she may deemed appropriate.



# **ROUTE MAP OF AGM VENUE**

