



KG PETROCHEM LIMITED

Corporate Office: 6th Floor, No.602, Monarch Building, Amrapali Marg, Vaishali Nagar, Jaipur-302021, Rajasthan

Email Id: manish@bhavik.biz

Website: www.kgpetrochem.com

Contact No.: 9983340261

CIN: L24117RJ1980PLC001999

To
The Manager
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400001 MH

August 25, 2025

Scrip Code: 531609

Subject: Notice and Annual Report of the 45th Annual General Meeting for the FY 2024-2025

Respected Sir/Madam,

Pursuant to SEBI (LODR) Regulations, 2015, please find enclosed herewith Notice of the 45th Annual General Meeting (AGM) of the Company and Annual Report for the financial year 2024-25. The same is also made available on the website of the Company at www.kgpetrochem.com.

The Schedule of 45th AGM of the Company is as under:

Event	Date	Time (IST)
Commencement of E-Voting	Monday, September 15, 2025	9:00 A.M.
End of E-voting	Wednesday, September 17, 2025	5:00 P.M.
Annual General Meeting	Thursday, September 18, 2025	12:00 P.M.

Pursuant to the green initiative, the applicable circulars of the MCA & SEBI and in compliance with the requirements of the Companies Act, 2013 & the SEBI (LODR) Regulations, 2015, Notice convening the 45th AGM and the Annual Report of the Company for the Financial Year 2024-25 is being sent to the members through electronic mode.

This is for your information and records.

Thanking You,
Yours faithfully,
for KG Petrochem Limited

Navita Khunteta
M. No: A35214
Company Secretary cum Compliance Officer

Encl: Copy Of Annual Report 2024-25



KANDOI GROUP

ANNUAL REPORT

2024-2025

KG PETROCHEM LIMITED

CIN: L24117RJ1980PLC001999

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gauri Shanker Kandoi (DIN: 00120330)

Chairman cum Whole Time Director

Mr. Manish Singhal (DIN: 00120232)

Managing Director

Mrs. Prity Singhal (DIN: 02664482)

Whole Time Director

Mr. Sanjay Sharma (DIN: 11186380)

Additional Executive Director

Mrs. Vani Jain (DIN: 08260267)

Independent Director

Mr. Vikas Damani (DIN: 00385807)

Independent Director

Mr. Dilip Kumar Bhatia (DIN: 11154630)

Additional Independent Director

Mr. Anand Mishra ((DIN : 00288257)

Independent Director

STATUTORY AUDITORS

M/s HC Bothra & Associates

Chartered Accountants,

J-9, Scheme-J, Behind IOCL

Petrol Pump, Sahakar Marg,

Jaipur-302015 Rajasthan

SECRETARIAL AUDITOR

M/s ARMS & Associates LLP

Practicing Company Secretaries

E-251, Vardhman Path, Opp. Jyoti Nagar, Gate No.2,

Lal Kothi Scheme Vidyut Bhawan, Jaipur-302015 Raj.

REGISTRAR & SHARE TRANSFER AGENT

M/s Niche Technologies Private Limited

Room No. 7A & 7B, 7th Floor

3A Auckland Place, Kolkata-700017 WB

BOARD COMMITTEES

Audit Committee

Mr. Dilip Kumar Bhatia (Chairperson)

Mr. Anand Mishra

Mr. Vikas Damani

Nomination & Remuneration Committee

Mr. Dilip Kumar Bhatia (Chairperson)

Mr. Anand Mishra

Mr. Vikas Damani

Stakeholders Relationship Committee

Mr. Dilip Kumar Bhatia (Chairperson)

Mr. Gauri Shanker Kandoi

Mr. Manish Singhal

Corporate Social Responsibility Committee

Mr. Gauri Shanker Kandoi (Chairperson)

Mr. Manish Singhal

Mr. Dilip Kumar Bhatia

Finance Committee

Mr. Gauri Shanker Kandoi (Chairperson)

Mr. Manish Singhal

Mr. Dilip Kumar Bhatia

CHIEF FINANCIAL OFFICER

Mrs. Prity Singhal

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Anand Singh (From December 26, 2023 to March 01, 2025)

Mrs. Navita Khunteta (Presently from March 02, 25)

DEPOSITORY PARTICIPANT

National Securities Depository Ltd.

Central Depository Services (India) Ltd

PRINCIPAL BANKERS



REGISTERED OFFICE

C-171, ROAD NO.9J,
VKI Area, Jaipur-302013,
Rajasthan

CORPORATE OFFICE

6th Floor, No.602, Monarch
Building, Amrapali Marg, Vaishali
Nagar, Jaipur-302021, Rajasthan

WORKS

- Plot No. SP-4/3, RIICO Industrial Area, Village & Post Keswana, Tehsil Kotputli, District Jaipur-303108 Rajasthan
- Plot No. SP-4/3A, RIICO Industrial Area, Village & Post Keswana, Tehsil Kotputli, District Jaipur-303108 Rajasthan
- Plot no. SP-3-5-B, RIICO Industrial Area, Village Keswana, Teh. Kotputli, Jaipur-303108 Rajasthan
- C-171, Road No.9J, VKI Area, Jaipur-302013 Rajasthan

CONTENT

- A. CHAIRMAN'S MESSAGE
- B. NOTICE OF 45TH AGM
- C. BOARD'S REPORT
- D. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC.
- E. SECRETARIAL AUDIT REPORT
- F. ANNUAL REPORT ON CSR ACTIVITIES
- G. CSR POLICY
- H. ANALYSIS OF MANAGERIAL REMUNERATION
- I. MANAGEMENT DISCUSSION AND ANALYSIS REPORT
- J. REPORT ON CORPORATE GOVERNANCE
- K. INDEPENDENT AUDITOR'S REPORT
- L. BALANCE SHEET
- M. STATEMENT OF PROFIT & LOSS
- N. CASH FLOW STATEMENT
- O. SIGNIFICANT ACCOUNTING POLICIES
- P. NOTES ON FINANCIAL ACCOUNTS

CHAIRMAN'S MESSAGE

Dear Shareholders,

I wish good health and wellbeing to all of you. I am presenting the 45th Annual Report of KG Petrochem Limited reflecting on our accomplishments during the financial year 2024-25.

Financial Year 2024-25, a year that has brought both challenges and opportunities to our esteemed textile business. The Textile market is anticipated considerable rise due to factors such as the continued increase in population and urbanization. As we reflect on the past year, it is evident that our company's resilience, strategic focus, and commitment to excellence have been the cornerstones of our success.

Considering the USA market inflation scenario, company has been able to deliver satisfactorily financial results. I am proud to state that our company not only weathered the challenges arises in the US Market but emerged stronger due to our unwavering dedication and collective efforts.

I am pleased to inform you that company has achieved a total revenue of operation of INR 375.38 crore with an EBITDA of Rs. 29.35 Cr. registering a revenue growth of 13.47% over the previous year, reflecting a healthy volume growth and improved product mix.

Financially, I am presenting here that despite the uncertainties posed by the global environment, Instability in international market, our company maintained a steady growth . Our prudent financial management, coupled with our strategic investments, has yielded positive results, ensuring sustainable value creation for our shareholders.

Looking ahead, we remain cautiously optimistic about the future. While challenges persist and uncertainties continue to cloud the U.S. tariff regime, our strategic focus on diversifying into other global markets positions as well to mitigate risks and capture new opportunities.

In closing, I extend my heartfelt gratitude to our shareholders, customers, employees, bankers and all stakeholders for their unwavering support. Together, we have achieved remarkable milestones, and together we will build an even brighter future for our textile business.

NOTICE OF THE FORTY-FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the **45th (Forty-Fifth)** Annual General Meeting ("AGM") of the Members of KG Petrochem Limited ("the Company") will be held on **Thursday, September 18, 2025 at 12:00 P.M. (IST)** at the Corporate Office of the company situated at **6th Floor, No. 602, Monarch Building, Amrapali Marg, Vaishali Nagar, Jaipur-302021, Rajasthan** to transact the below businesses:

Ordinary Business:

Item No. 1 – Adoption of audited financial statements:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2 – Appointment of Mr. Manish Singhal (DIN: 00120232) as a Director, liable to retire by rotation:

To appoint a director in place of Mr. Manish Singhal (DIN: 00120232), who retires by rotation and being eligible, seeks reappointment.

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

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013, the rules made thereunder and other applicable provisions, if any (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Mr. Manish Singhal (DIN: 00120232) who retires at this Forty-Fifth Annual General Meeting, offers himself for re-appointment, be and is hereby approved to be re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

Item No. 3 – Appointment of M/s ARMS & Associates LLP, Company Secretaries as Secretarial Auditor of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. ARMS and Associates LLP, Company Secretaries (Firm Registration No. P2011RJ023700) as the Secretarial Auditor of the Company for a period of five (5) years, commencing from Financial Year 2025-26 till Financial Year 2029-30 at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws."

Item No. 4 – Re-appointment of Mr. Anand Mishra as an Independent Non-Executive Director for a second term of 5(five) years:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and other applicable provisions of the Act, read with rules made thereunder and the Article of Association and pursuant to the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors, Mr. Anand Mishra (DIN: 00288257) who holds office of Independent Director up to February 12, 2026 and who meets the criteria for independence as provided under section 149(6) of the Act, along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to the effect and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director, not liable to retire by rotation for a second term of Five (5) consecutive years from February 13, 2026 to February 12, 2031.”

Item No. 5 – Appointment of Mr. Dilip Kumar Bhatia (DIN: 11154630) as a Non-Executive Independent Director of the Company and Approval of his Appointment despite having attained the Age of 75 years:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *(including any statutory modification(s) or re-enactment thereof, for the time being in force)*, and other applicable provisions of the Act, read with rules made there under and the Article of Association and pursuant to the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors, Mr. Dilip Kumar Bhatia (DIN: 11154630) who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company w.e.f. July 09, 2025 and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, rules made there under and Regulation 16(1)(b) (as amended) of the Listing Regulations and who is eligible, for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act have been received in the prescribed manner, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from July 09, 2025 to July 08, 2030.”

RESOLVED FURTHER THAT in terms of Regulation 17(1A) of the SEBI LODR Regulations and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Dilip Kumar Bhatia as an Independent Director notwithstanding that he has attained the age of 75 (seventy-five) years, to hold office for the aforementioned term from July 09, 2025 to July 08, 2030.

Item No. 6 – Appointment of Mr. Sanjay Sharma (DIN: 11186380) as Executive Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of section 152 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder including any statutory modification thereto or re-enactment thereof for the time being in force, Mr. Sanjay Sharma (DIN: 11186380) who was appointed by the Board of Directors as an Additional Director (Executive) of the Company with effect from July 09, 2025 and who holds office upto the date of this Annual General Meeting in terms of section 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the Article of Association and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors and been eligible, offer himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Sanjay Sharma candidature for the office of the Director, be and is hereby appointed as an Executive Director of the Company who will be liable to retire by rotation.”

By Order of the Board of Directors
for KG Petrochem Limited

Sd/-
Navita Khunteta
M. No: A35214
Company Secretary and Compliance Officer

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India
Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz;
Website: www.kgpetrochem.com;
CIN: L24117RJ1980PLC001999

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company (a copy of proxy form is attached). The instrument appointing the proxy should however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
3. Corporate members intending to send their authorized representatives to attend the Meeting on its behalf and to vote through remote e-voting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place.
5. 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.
6. Members holding shares in single name and in physical form are advised to make nominations in respect of their shareholding in the company.
7. Pursuant to the provisions of Section 91 of the Act and regulation 42 of the Listing Regulation, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 12, 2025 to Thursday, September 18, 2025 (both days inclusive).
8. Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting has been annexed separately.
10. Pursuant to regulations 26(4) and 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Directors seeking Appointments or Reappointment at this AGM are also annexed to this notice.
11. The Annual Report of the Company for the year ended March 31, 2025 along with Notice, process and manner of remote e-voting, Attendance Slip and Proxy form are being sent by e-mail to those Members who have registered their e-mail address with the Company or with their respective DP or Registrar and Share Transfer Agents of the Company. Members may note that this Notice and the 45th Annual Report will also be available on the Company's website viz. www.kgpetrochem.com

and website of the Stock Exchange where the shares of the Company are listed i.e. BSE Ltd. at www.bseindia.com.

12. Please note that except Members / Proxies / Representatives / Invitees of the Company, no other person shall be allowed to attend the Meeting at the Venue. Relatives and acquaintances accompanying Members will not be permitted to attend the Meeting at the venue.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement will be available for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 18, 2025. Members seeking to inspect such documents can send an e-mail to jproffice21@bhavik.biz.
14. In support of the Green Initiative, Members who have not yet registered their email addresses are kindly requested to do so with their respective Depository Participants (DPs) or with the Company's Registrar and Transfer Agent, Niche Technologies Private Limited. Members holding shares in electronic form are requested to register or update their email addresses with their DPs, while those holding shares in physical form may register or update their email addresses directly with the Company or Niche Technologies Private Limited.
15. Members are requested to
 - a) intimate to Niche Technologies Private Limited/Company, changes, if any, pertaining to their postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI HO /MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021, in case of Shares held in physical form;
 - b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialized form;
 - c) quote their folio numbers/Client ID/DP ID in all correspondence;
 - d) consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - e) register their PAN with their Depository Participants, in case of Shares held in dematerialized form.
16. SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, Members holding shares in physical form are requested to submit particulars of their bank account in Form ISR 1 along with the original cancelled cheque bearing the name of the Member to Niche / Company to update their bank account details. Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant ("DP"). The Company or Niche cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Shareholders are requested to ensure that their bank account details in their

respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts. In case, the Company is unable to pay dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by post/courier.

17. The members / investors may send their complaints/ queries, if any to the Company's Registrar and Share Transfer Agents' E-mail id: nichetechpl@nichetechpl.com or to the Company's designated/exclusive E-mail id: jproffice21@bhavik.biz.
18. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA at the above-mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
19. As per Regulation 40 of the 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 transmission or transposition of securities. Further SEBI vide its Circular dated January 25, 2022, has mandated that securities shall be issued only in dematerialized mode while processing duplicate / unclaimed suspense / renewal / exchange / endorsement / sub-division /consolidation/transmission/transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize their shares held in physical form.
20. In compliance with the provisions of Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by CDSL on all resolutions set forth in this Notice.
21. Members holding physical shares may kindly note that if they have any dispute against the Company or the registrar & share transfer agent (RTA) on delay or default in processing the request, they may file for arbitration with the stock exchanges in accordance with SEBI circular dated May 30, 2022.
22. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact Niche to seek guidance in the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited at <https://www.cdslindia.com/Investors/open-demat.html> for further understanding the demat procedure.
23. In compliance with the provisions of Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by CDSL on all resolutions set forth in this Notice.

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

- (i) The voting period begins on Monday, September 15, 2025 at 09:00 A.M. (IST) and ends on Wednesday, September 17, 2025 at 05:00 P.M. (IST). 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. Thursday, September 11, 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 **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 Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdsiindia.com and click on login icon & My Easi New (Token) Tab. 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 cdsi website www.cdsiindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdsiindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com 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. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under

	<p>‘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.</p> <p>4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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.</p>
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.

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

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

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.

- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> 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 Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; jproffice21@bhavik.biz, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

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

Other Instructions

- I. The Company has appointed Mr. Sandeep Kumar Jain, Designated Partner of M/s. ARMS and Associates LLP, Practicing Company Secretaries to act as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- II. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.
- III. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.kgpetrochem.com and on the website of CDSL immediately. The Company shall simultaneously forward the results to Stock Exchanges, where the shares of the Company are listed.

By Order of the Board of Directors
for KG Petrochem Limited

Sd/-
Navita Khunteta
M. No: A35214
Company Secretary and Compliance Officer

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India
Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz;
Website: www.kgpetrochem.com;
CIN: L24117RJ1980PLC001999

EXPLANATORY STATEMENT

[Pursuant to section 102(1) of the Companies Act, 2013 ("Act")]

Item No. 3 - Appointment of M/s ARMS & Associates LLP, Company Secretaries as Secretarial Auditors of the Company

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provision of Listing Regulations (as amended from time to time), every listed entity are required to annex with its Board's Report, a report on Secretarial Audit issued by the Practicing Company Secretary.

Pursuant to the amendment made under the provisions of Regulation 24A of the Listing Regulations by SEBI vide its notification dated December 12, 2024 read with the SEBI Circular bearing reference no. SEBI/ HO/CFD/ CFDPoD-2/CIR/P/2024/185 dated December 31, 2024 ("SEBI Circular"), a listed entity shall appoint/re-appoint Secretarial Auditor with the approval of the Member of the Company in its Annual General Meeting in the manner mentioned below:

- a) an individual as Secretarial Auditor for not more than one term of five consecutive years; or
- b) Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years.

Further, the SEBI has also prescribed the eligibility, qualifications and disqualifications of Secretarial Auditor in the said amendment and SEBI Circular.

Considering the experience, market standing, efficiency of the audit team and independence of M/s ARMS & Associates LLP ("ARMS"), Company Secretaries, the Board at its Meeting held on August 13, 2025, pursuant to the recommendation of the Audit Committee and subject to the approval of the Members of the Company, approved the appointment of ARMS as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years commencing from Financial Year 2025-26 till Financial Year 2029-30.

Besides the secretarial audit services, the Company may also obtain certifications from ARMS under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

ARMS & Associates LLP is a Jaipur-based professional services firm specializing with over 10 years of rich experience in Corporate Law, Securities Law and allied Regulatory compliance. Founded and managed by experienced Company Secretaries, ARMS has built a strong reputation as a trusted Secretarial Auditor for several listed and unlisted entities across industries. The firm offers comprehensive services including corporate governance advisory, due diligence, regulatory representations, and compliance management. With a team of qualified professionals and a commitment to ethical practices, ARMS has consistently delivered value-driven solutions tailored to client needs.

The Company has received the consent letter and eligibility certificate from ARMS to act as Secretarial Auditor of the Company. They have also affirmed that their proposed appointment, if approved, will be within the limits specified in the applicable laws. Furthermore, in terms of the amended regulations, ARMS has provided a confirmation that they have subjected themselves to the peer review process of

the Institute of Company Secretaries of India and hold a valid peer review certificate.

Accordingly, the Members' approval is sought for the appointment of ARMS as Secretarial Auditor of the Company in terms of the applicable provisions of the Act and Listing Regulations.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

Item No. 4 – Re-appointment of Mr. Anand Mishra as an Independent Non-Executive Director for a second term of 5 (five) years:

Mr. Anand Mishra was appointed as an Independent Non-Executive Director of the Company by the members at the general meeting of the Company w.e.f. February 03, 2021 for a period of five consecutive years commencing from February 03, 2021 to February 12, 2026.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Anand Mishra, being eligible for re-appointment as an Independent Director, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from February 13, 2026 to February 12, 2031.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature for Mr. Anand Mishra as an Independent Director of the company who has given a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with a declaration under Section 164(2) of the Companies Act, 2013 read with the rules made there under, confirming he is not disqualified to be reappointed as a Director of the Company.

The Board on the basis of the report of performance evaluation and that his continued association would be of immense benefit to the Company, has recommended re-appointment of Mr. Anand Mishra as an Independent Director for a term of 5 (five) consecutive years w.e.f. February 13, 2026 on the Board of the Company.

Details are provided in the "Annexure-A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Anand Mishra, being an appointee is in any way, concerned or interested, financially or otherwise in the resolution as set out at item no. 4 of the Notice.

The Board recommends the resolution as set out at agenda Item no. 4 of the accompanying notice for the members' consideration and approval.

Item No. 5 – Appointment of Mr. Dilip Kumar Bhatia (DIN: 11154630) as a Non-Executive Independent Director of the Company and approval of his appointment pursuant to Regulation 17(1A) of SEBI LODR Regulations despite having attained the age of 75 Years

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Dilip Kumar Bhatia (DIN: 11154630) as an Additional Director (Non-Executive Independent) of the Company with effect from July 09, 2025, pursuant to the provisions of Section 161 of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company.

Mr. Bhatia holds office as an Additional Director up to the date of the ensuing General Meeting. The Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director. Mr. Bhatia has submitted a declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). In the opinion of the Board, he fulfills the conditions for appointment as an Independent Director as specified in the Act and SEBI LODR Regulations.

Mr. Bhatia is a seasoned professional with over five decades of experience in the fields of finance, governance, and business strategy. Considering his expertise and valuable insights, the Board recommends his appointment as a Non-Executive Independent Director of the Company for a term of five consecutive years from July 09, 2025 to July 08, 2030, not liable to retire by rotation.

Further, pursuant to Regulation 17(1A) of SEBI LODR Regulations, a special resolution is required for the appointment or continuation of any Non-Executive Director who has attained the age of 75 years. Mr. Bhatia has attained the age of 75 years, and the Board considers that his association would be beneficial and in the best interests of the Company, considering his extensive experience and knowledge. The Board, therefore, recommends the approval of his appointment notwithstanding that he has attained the age of 75 years.

Details are provided in the "Annexure-A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Dilip Kumar Bhatia, being an appointee is in any way, concerned or interested, financially or otherwise in the resolution as set out at item no. 5 of the Notice.

The Board recommends the Special Resolution as set out at agenda Item no. 5 of the accompanying notice for the members' consideration and approval.

Item No. 6 – Appointment of Mr. Sanjay Sharma (DIN: 11186380) as Executive Director of the Company:

As per the recommendation of Nomination and Remuneration Committee, the board in its meeting held on July 09, 2025 has appointed Mr. Sanjay Sharma (DIN: 11186380) as an Additional Director (Executive) of the company to hold office up to the date of this AGM.

In the opinion of the Nomination and Remuneration Committee & Board, Mr. Sanjay Sharma, with his academic qualifications of MBA and B.Com from NIMS University and over 27 years of rich experience in supply chain management, brings significant value to the Company. Having been associated with the Company for more than 10 years, he possesses deep knowledge of the Company's operations and processes. He has effectively overseen critical functions such as Purchase, Stores, and other operational

areas, contributing to efficiency, cost optimization, and strengthening of internal controls.

His expertise in supply chain management and long-standing familiarity with the Company's business is expected to further enhance operational excellence, streamline procurement and inventory systems, and support the Company's growth strategy. The Board is confident that his appointment will provide continuity, stability, and valuable leadership to the Company's operational functions. The board recommends his appointment to the shareholders.

The company has received a notice in writing under section 160(1) of the Act, proposing his candidature for the office of director of the company. In the opinion of the board, Mr. Sanjay Sharma fulfills the criteria/ conditions specified under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for appointment as Director of the company. Mr. Sanjay Sharma is not related to any Director of the company.

Details of Mr. Sanjay Sharma, are provided in the "Annexure-A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends the resolution as set out at agenda Item no. 6 of the accompanying notice for the members' consideration and approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Act is, in any way, financially or otherwise, concerned or interested in this resolution.

By Order of the Board of Directors
for KG Petrochem Limited

Sd/-
Navita Khunteta
M. No: A35214
Company Secretary and Compliance Officer

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India

Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz;

Website: www.kgpetrochem.com;

CIN: L24117RJ1980PLC001999

'ANNEXURE-A' TO THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting
[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings]

Name	Dilip Kumar Bhatia	Sanjay Sharma	Anand Mishra
Designation	Non-Executive Independent Director	Executive Director	Non-Executive Independent Director
DIN	11154630	11186380	00288257
Age & Date Of Birth	77 Years (March 15, 1948)	48 Years (November 17, 1976)	47 Years (November 21, 1977)
Date Of Original Appointment	July 09, 2025	July 09, 2025	February 13, 2021
Qualification, Functional Expertise and Experience	Expert in finance, banking operations, regulatory compliance, and corporate governance.	Holds an MBA and a B.Com from NIMS University, with functional expertise in strategic business operations and financial market analysis.	He is a Commerce graduate with over 16 years of extensive experience in the Real Estate industry.
Terms and Conditions of appointment	Non-Executive Independent Director, not liable to retire by rotation	Executive, Non Independent Director, liable to retire by rotation	Non-Executive Independent Director, not liable to retire by rotation
Brief resume of Director	Mr. Dilip Kumar Bhatia is a seasoned banking professional with over 30 years of experience in the financial services sector. He served in key roles at the State Bank of Bikaner & Jaipur, most recently as a Speciality Assistant, where he played a pivotal role in operational banking, credit analysis, and branch-level administration. His tenure with the bank spanned from December 1970 to March 2001, giving him rich exposure to India's evolving banking landscape.	Mr. Sanjay Sharma holds an MBA and a B.Com degree from NIMS University. He brings with him over 27 years of experience in supply chain management. He has been associated with the Company for more than 10 years and currently oversees key departments including Purchase, Stores, and other related operational functions.	Mr. Anand Mishra holding degree of Bachelor of Commerce and having experience of more than 16 years in Real Estate Industry.
Relationship with other Board Members and Key Managerial Personnel of the Company	Not related to any other Director or Key Managerial Personnel of the Company.	Not related to any other Director or Key Managerial Personnel of the Company.	Not related to any other Director or Key Managerial Personnel of the Company.
Board Meeting attendance attended during FY 2024-25	Not Applicable	Not Applicable	6 (Six)
Directorship in Other Public Companies	Nil	Nil	Nil
Name of the other listed Companies where he is Director	None	None	None
List of other Listed Companies in which Memberships/	None	None	None

Chairmanships of Board Committees held			
Listed entities from which director has resigned in last three years	None	None	None
Shareholding in the company as on date of this report (including shareholding as a beneficial owner)	None	None	None
Remuneration last drawn	Nil	Nil	Nil
Proposed Remuneration	Nil	Not exceeding to ₹ 2,00,000/- P.M. (Rupees Two Lakhs Only) or as may be decided by the Board of Directors.	Nil

By Order of the Board of Directors
for KG Petrochem Limited

Sd/-
Navita Khunteta
M. No: A35214
Company Secretary and Compliance Officer

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India
Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz;
Website: www.kgpetrochem.com;
CIN: L24117RJ1980PLC001999

Form No. MGT-11**Proxy form**

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

CIN: L24117RJ1980PLC001999

Name of the Company: KG Petrochem Limited

Registered Office: C-171, Road No. 9J, VKI Area, Jaipur-302013 (Rajasthan)

Name of the member(s):	Email Id:
	Folio No/ Client Id:
Registered Address:	DP ID:

I/we being the member(s) of the KG Petrochem Limited hereby appoint:

Sr. No.	Name	Address	E-Mail Address	
				Or failing him
				Or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company to be held on Thursday, September 18, 2025 at 12:00 P.M. (IST) at 6th Floor, No.602, Monarch Building, Amrapali Marg, Vaishali Nagar, Jaipur-302021, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	For	Against
1.	Adoption of audited financial statements		
2.	Appointment of Mr. Manish Singhal (DIN: 00120232) as a Director, liable to retire by rotation		
3.	Appointment of M/s ARMS & Associates LLP, Company Secretaries as Secretarial Auditor of the Company		
4.	Re-appointment of Mr. Anand Mishra as an Independent Non-Executive Director for a second term of 5 (five) years		
5.	Appointment of Mr. Dilip Kumar Bhatia (DIN: 11154630) as a Non-Executive Independent Director of the Company and approval of his appointment despite having attained the Age of 75 years		
6.	Appointment of Mr. Sanjay Sharma (DIN: 11186380) as Executive Director of the Company		

Signed this.....day of2025

Signature of shareholder.....

Signature of Proxy holder(s)

Affix Revenue Stamp

Notes: 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.

Attendance Slip

45th Annual General Meeting, Thursday, September 18, 2025 at 12:00 P.M (IST).

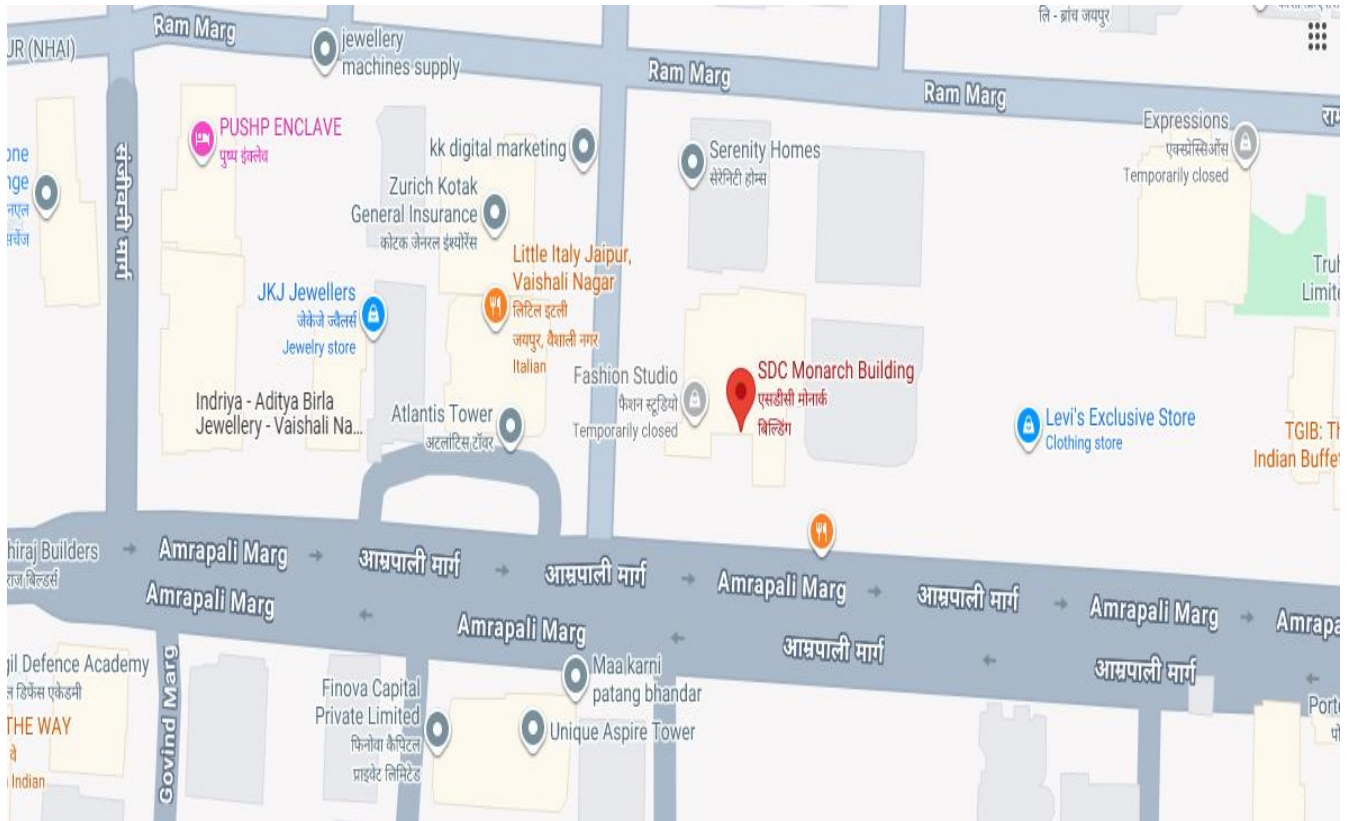
Registered Folio No/ DP ID:	
No. of shares held	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company and hereby record my presence at the Annual General Meeting of the Company on Thursday, September 18, 2025 at 12:00 P.M. (IST) at the administrative office of the Company situated at 6th Floor, No. 602, Monarch Building, Amrapali Marg, Vaishali Nagar, Jaipur-302021 Rajasthan.

Member's/Proxy's name in Block Letters

**Member's/Proxy's
Signature**

Route Map



Corporate Office: 6th Floor, No.602, Monarch Building, Amrapali Marg, Vaishali Nagar, Jaipur-302021, Rajasthan

DIRECTORS' REPORT

Dear Members,

The Board of Directors is delighted to present the 45th Annual Report on the business and operations of KG Petrochem Limited ("the Company") along with the summary of audited financial statements for the Financial Year ended March 31, 2025.

1. OVERVIEW OF FINANCIAL PERFORMANCE:

(Rs. In Lakhs except EPS)

Particulars	March 31, 2025	March 31, 2024
Income from Business Operations	37,538.82	33,080.32
Other Income	403.64	471.13
Total Income	37,942.46	33,551.45
Profit/(Loss) Before Depreciation, Interest & Tax	2,935.88	2,283.31
Less: Depreciation	1,350.53	1,202.26
Less: Interest	873.03	792.78
Profit/(Loss) Before Tax	712.32	288.27
Less: Tax Expenses	161.52	194.83
Net Profit/ (Loss) After Tax	550.81	93.44
Earnings per share (Basic)	10.55	1.79
Earnings per share (Diluted)	10.55	1.79

2. FINANCIAL HIGHLIGHTS ON COMPANY'S PERFORMANCE AND FUTURE OUTLOOK:

During the financial year ended March 31, 2025, KGPL delivered a strong performance, demonstrating significant growth across key financial metrics compared to the previous year.

- Income from business operations increased by 13.47%, rising from ₹33,080.32 lakhs in FY 2023–24 to ₹37,538.82 lakhs in FY 2024–25. This reflects improved market demand, operational efficiency, and strategic execution.
- Profit Before Tax more than doubled to ₹712.32 lakhs, up from ₹288.27 lakhs in the previous year.
- Net Profit After Tax surged by nearly 490%, reaching ₹550.81 lakhs compared to ₹93.44 lakhs in the prior year.
- Basic and diluted EPS stood at ₹10.55, a significant increase from ₹1.79 in FY 2023–24, underscoring strong value creation for shareholders.

Despite increases in depreciation and interest expenses, the Company has efficiently managed its cost structure and leveraged its resources effectively to drive profitability.

Our primary export market, the United States, continues to face inflationary pressures, leading to a relatively subdued demand environment. Despite these challenging market conditions, the Company has successfully increased its revenue and demonstrated resilience in sustaining market

share. This has resulted in a significant improvement in profitability, reflecting our strategic focus and operational efficiency.

The segment-wise performance for the financial year 2024–25 is as follows:

I. Textile Division

During the year, its revenue from operation from Textile Division was Rs. 32,976.4 Lakhs including export sales of Rs 28,547.14 Lakhs (FOB) as against was Rs. 28,536.15 Lakhs including export sales of Rs 24,415.54 Lakhs (FOB) in previous year, the overall performance of the division was well above the industry peers. We have added few new customers and will continue to add more this year as well to improve company's performance compared to previous years.

II. Agency Division

This division looks after the consignment stockiest of GAIL (India) Ltd. for marketing and distribution of polymers in Rajasthan. During the year the Agency Division has sold 13805.90 MT granules amounting to Rs. 14,504.06 Lakhs in comparison of 20081.6 MT granules amounting to Rs. 22573.05 Lakhs and earned commission of Rs.60.20 Lakhs as compared to last year Rs. 83.44 Lakhs. The division has performed well during the year under review.

III. Technical Textile Division

This division looks after the manufacturing of artificial leather through technical textile. During the year, revenue from operation from this division was Rs 4,502.15 Lakhs including export sales of Rs. 335.92 Lakhs (FOB) as compared to Rs. 4,460.72 Lakhs including export sales of Rs. 558.60 Lakhs (FOB) in previous financial year. The performance of the division has fallen this year due to subdued demand from end-user industries i.e., mainly footwear and automobile. This segment also faces intense competition from low-cost products and due to this company has increased its focus on exports and on the automobile sector which should ramp up operations in this segment in coming years.

3. DIVIDEND

Considering the future expansion plans the Company has not recommended any dividend for the Financial Year 2024-25.

4. AMOUNTS TRANSFERRED TO RESERVES

Your Board proposed to transfer Rs. 48.58 Lakhs to General Reserve in terms of Section 134(3)(j) of the Companies Act, 2013 for the financial year ended on March 31, 2025. Further, the Balance specified in the individual head is detailed as below:

(Rs. In Lakhs)

S. No.	Reserve Head	Opening Balance	Addition	Deduction	Closing Balance
1.	Revaluation Reserve	4,536.62	-	48.58	4,488.04
2.	General Reserve	329.16	48.58	-	377.74
3.	Retained Earnings	12,108.70	550.81	-	12,659.51

5. CHANGE IN NATURE OF BUSINESS, IF ANY

During the period under review, there was no change in business of the Company during the financial year 2024-2025.

6. SUBSIDIARY, JOINT VENTURES, AND ASSOCIATE COMPANIES:

As defined under the Act, the Company does not have any Subsidiaries and does not have Joint Ventures and Associate Companies as of March 31, 2025.

7. CHANGES IN CAPITAL STRUCTURE

The Authorized Share Capital of the Company stands at ₹7,00,00,000 (Rupees Seven Crores only), comprising 70,00,000 (Seventy Lakhs) equity shares of ₹10 (Rupees Ten) each.

The Paid-up Share Capital of the Company is ₹5,22,10,000 (Rupees Five Crores Twenty-Two Lakhs Ten Thousand only), consisting of 52,21,000 (Fifty-Two Lakhs Twenty-One Thousand) equity shares of ₹10 (Rupees Ten) each.

During the year under review, the Company did not undertake any public issue, rights issue, bonus issue, or preferential allotment. Additionally, the Company has not issued any shares with differential voting rights, sweat equity shares, or granted any stock options.

8. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website and can be accessed at www.kgpetrochem.com.

9. MATERIAL CHANGES AND COMMITMENTS

In pursuance to section 134(3)(L) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

10. MATERIAL ORDERS

In pursuance to Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014, no significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In accordance with the provisions of Section 186 of the Companies Act and Schedule V of the Listing Regulations, the Company has not made any investments, nor has it granted any loans, provided guarantees, or offered securities as specified under Section 186 of the Act and the applicable rules framed thereunder.

12. RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2025, all transactions entered into with Related Parties, as defined under Section 188 of the Companies Act, 2013, read with the applicable rules and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), were conducted in the ordinary course of business and on an arm's length basis. The Company does not have any 'Material Subsidiary' as defined under Regulation 16(1)(c) of the Listing Regulations.

Further, during the year under review, no Related Party Transactions were entered into that required prior approval of the shareholders. All such transactions were reviewed, ratified, and approved by the Audit Committee and the Board of Directors, in accordance with the requirements of the Listing Regulations. The Audit Committee and the Board also conducted periodic reviews of these transactions throughout the year.

There were no materially significant Related Party Transactions that could have a potential conflict with the interests of the Company. The necessary disclosures, as required under Accounting Standard (AS) 18, have been provided in Note No. 44 of the Notes to the Financial Statements for the year ended March 31, 2025.

The Company has in place a Policy on the materiality of Related Party Transactions, which is available on its website at www.kgpetrochem.com. Additionally, the Company has established an internal mechanism to identify, monitor, and manage Related Party Transactions effectively.

13. PARTICULARS OF CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNING AND OUTGO

Pursuant to provisions of Section 134(M) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as 'Annexure-A' to this report.

14. CREDIT RATING

During the financial year 2024-2025, on the basis of recent development including operational and financial performance of the Company, CARE Rating Agency has reaffirmed stable rating as follows:

Facilities	Ratings
Long Term Bank Facilities	CARE BBB-; Stable
Long Term/ Short term Bank Facilities	CARE BBB-; Stable / CARE A3
Short Term Bank Facilities	CARE A3

Further, the company has been regular in making principal and interest repayments to the Banks and financial institutions.

15. BOARD AND COMMITTEE MEETINGS

The details of Board and Committee meetings held during the financial year ended on March 31, 2025 and the attendance of the Directors are set out in the Corporate Governance Report which forms part of this report.

The frequency of board meetings and quorum at such meetings were in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-1 on Meetings of the Board of Directors issued by ICSI. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013 and the Listing Regulations.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors plays a vital role in overseeing the Company's management and ensuring that both short-term and long-term interests of shareholders and stakeholders are effectively served. This commitment is reflected in our robust corporate governance practices, which promote a well-informed, independent, and efficient Board. The Company continuously reviews its governance framework to maintain alignment with statutory requirements and evolving business needs.

As on March 31, 2025, the Board comprised 8 (Eight) Directors, including 4 (Four) Executive Directors and 4 (Four) Non-Executive Independent Directors. All Independent Directors of the Company have duly registered themselves with the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs (IICA).

The Board consists of individuals from diverse professional backgrounds, bringing extensive experience and expertise in key areas such as Marketing, Finance & Taxation, Economics, Law, and Corporate Governance. The Independent Directors are highly accomplished professionals who actively contribute to Board and Committee deliberations. Their guidance on matters of policy, compliance, and strategic direction significantly enhances transparency and strengthens the decision-making process.

The composition of the Board is in full compliance with the provisions of the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015. The Board periodically reviews its composition to ensure it remains suitable for meeting both statutory and business objectives.

Changes in the Board of Directors and Key Managerial Personnel during the year under review:

A) Retirement by Rotation:

- In accordance with the provisions of the Articles of Association of the Company and Section 152 of the Companies Act, 2013, Mr. Ajay Kumar Sharma, Executive Director, was reappointed as a Director liable to retire by rotation at the 44th Annual General Meeting of the Company, based on the recommendation of the Nomination and Remuneration Committee and the outcome of the performance evaluation.

B) Appointment/Re-appointment of Directors and KMPs:

- Mr. Bridhi Chand Sharma was re-appointed as an Independent Director for a second term of five consecutive years, effective from February 26, 2024 to February 25, 2029, subject to approval of shareholders at the ensuing AGM.
- Mrs. Navita Khunteta was appointed as Company Secretary & Compliance Officer, effective from March 2, 2025, by the Board at its meeting held on March 1, 2025.

C) Resignation/Retirement of Directors and KMPs:

- Mr. Anand Singh ceased to be the Company Secretary & Compliance Officer of the Company, with effect from March 1, 2025.

Changes after the close of the financial year:

- Mr. Bridhi Chand Sharma ceased to be an Independent Director of the Company with effect from July 9, 2025.
- Mr. Dilip Kumar Bhatia was appointed as an Additional Independent Director (Non-Executive) by the Board with effect from July 9, 2025.
- Mr. Sanjay Sharma was appointed as an Additional Director (Executive) by the Board with effect from July 9, 2025.
- Mr. Ajay Kumar Sharma ceased to be an Executive Director of the Company with effect from July 31, 2025.

Necessary resolutions seeking the approval of shareholders for the above-mentioned appointments and reappointments, where applicable, have been included in the notice convening the ensuing Annual General Meeting. Relevant details of the Directors retiring by rotation and/or seeking appointment/re-appointment, as required under the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India (ICSI), are provided in Annexure-A to the Notice of the AGM.

It is confirmed that none of the Directors are disqualified or debarred from being appointed or continuing as Directors as per the provisions of the Companies Act, 2013 and the applicable regulations of the Securities and Exchange Board of India (SEBI).

17. DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, all Independent Directors of the Company have given declaration that they meet the criteria of independence.

It is to be further noted that as per the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (as amended from time to time), all four Independent Directors of the company have registered their name as Independent Directors in Database of IICA and Mr. Anand Mishra, Mr. Bridhi Chand Sharma and Mr. Vikas Damani have passed the online proficiency self-assessment test and Mrs. Vani Jain is exempted to clear the said online proficiency self-assessment test.

The terms & conditions for the appointment of Independent Directors are given on the website of the Company' website and can be accessed at i.e. www.kgpetrochem.com.

Further, in terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Independent Directors have also confirmed that they have complied with the Company's code of conduct prescribed in Schedule IV to the Companies Act, 2013.

18. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the requirements of the Act and the Listing Regulations, the Company has put in place a familiarization program for the Independent Directors with regard to their roles, rights and responsibilities in the Company and provides details regarding the nature of the industry in which the Company operates the business models of the Company etc. which aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities.

The details of the familiarization program for Independent Directors are available on the Company's website and can be accessed at www.kgpetrochem.com.

19. FORMAL ANNUAL EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking input from all the directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking input from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

The Chairman's performance evolution was linked to both the functioning of the board as well as the performance of each director. Independent directors reviewed the performance of the chairman of the Company after seeking inputs from the executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors based on criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The performance evaluation of Managing Directors and Executive Directors of the Company was carried out by all the directors (excluding the director being evaluated). The Board found the evaluation satisfactory, and no observations were raised during the said evaluation in current year as well as in previous year.

20. AUDITOR AND REPORT THEREON

STATUTORY AUDITOR

M/s. H C Bothra & Associates, Chartered Accountants, Jaipur (Firm Registration Number: 008950C) were appointed as Statutory Auditors of the Company, at the Annual General Meeting held on September 25, 2024 for a period of five years from the conclusion of 44th Annual General Meeting till the conclusion of 49th Annual General Meeting to be held for the Financial Year 2028-29.

In this regard and rules made there-under, the Company has received certificate from the in accordance with provisions of Section 141 of the Act.

M/s. HC Bothra & Associates, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the Financial Year 2024-25, which forms part of the Annual Report 2024-25.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

As per sub-section 12 of section 143 of the Act during the financial year no fraud was reported by the Auditor of the Company in their Audit Report.

SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, The Board of Directors has appointed M/s. ARMS & Associates LLP, Company Secretaries as Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2024-25.

Accordingly, they have conducted Secretarial Audit for the Financial Year 2024-25 and Secretarial Audit Report in Form MR-3 is enclosed herewith as 'Annexure-B'. Pursuant to provisions of Regulation 24A of Listing Regulations, the Secretarial Auditors have also issued Annual Secretarial Compliance Report for the F.Y. 2024-25. Both the reports do not contain any qualification, reservation or adverse remark.

Further, in terms of the SEBI (Listing Obligations & Disclosure Requirements) (Third Amendment) Regulation, 2024, the Board on recommendation of Audit Committee has recommended appointment of M/s ARMS & Associates LLP, Company Secretaries as Secretarial Auditors of the Company for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2029. A resolution seeking shareholders' approval for the appointment of M/s ARMS & Associates LLP, Company Secretaries as Secretarial Auditors has been included in the notice of the ensuing Annual General Meeting of the Company.

INTERNAL AUDITOR

In accordance with the provisions of section 138 of the Act and rules made thereunder, the Board of Directors of the Company has appointed M/s Arpit Vijay & Co., Chartered Accountants, Jaipur (FRN: 017737C) as Internal Auditor of the Company for the financial year 2024-2025.

The Company received Internal Audit Reports on a quarterly basis, which were duly reviewed and approved by the Audit Committee and the Board of Directors. The reports did not contain any qualifications. The notes to the accounts are self-explanatory, and the observations, wherever applicable, were appropriately addressed by the management.

During the financial year 2024-2025, no fraud was reported by the Internal Auditor of the Company in their Audit Report.

M/s Arpit Vijay & Co., Chartered Accountants, Jaipur have been re-appointed by the Board, to conduct the Internal Audit of the Company.

COST AUDITOR

In compliance with Section 148, coupled with Sub Rule (3) of Rule 4 of the Companies (Cost Records & Audit) Rules, 2014, it is affirmed that the requirement for Cost Audit during the financial year 2024-2025 does not apply to the company. This exemption is warranted as the company's operations do not meet the criteria stipulated within the rules. Even though the company's turnover exceeded Rs. 100.00 Crores during the aforementioned financial year, the nature of the company's business activities falls beyond the purview of Rule 3 of the Companies (Cost Records & Audit) Rules, 2014.

21. NUMBER OF MEETINGS OF BOARD

Six (6) meetings of the Board were held during the year. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

22. COMMITTEES OF BOARD

The Board of Directors of the Company has constituted the following Committees:

- a) Audit Committee
- b) Corporate Social Responsibility Committee
- c) Nomination and Remuneration Committee
- d) Stakeholders Relationship Committee
- e) Finance Committee

During the year, all recommendations made by the committees were approved by the Board. The Committees' composition, charters and meetings held during the year and attendance thereat, are given in the Report on Corporate Governance forming part of this Annual Report.

23. INSIDER TRADING PREVENTION CODE

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto, the Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code").

The Code is applicable to Promoters, Members of the Promoter Group, Directors (including Independent Directors), Key Managerial Personnel (KMPs), Designated Employees, Connected Persons, Immediate Relatives of the above categories and any other persons who are expected to have access to Unpublished Price Sensitive Information (UPSI) relating to the Company. The Compliance Officer shall regulate, monitor and report trading adherence to the PIT Regulations. The same is available on the website of the Company at www.kgpetrochem.com.

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behavior, actual or suspected fraud or violation of the Code. This Policy is available on the Company's website at www.kgpetrochem.com. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the chairperson of the audit committee in exceptional cases. During the year, no person was denied access to the audit committee.

25. CORPORATE SOCIAL RESPONSIBILITY

The company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. Company works primarily towards environment sustainability, preventive health care, eradication of hunger, education, women empowerment, contributions to public funded Universities, Indian Institute of Technology (IITs) health and hygiene. The initiatives undertaken by the Company on CSR activities during the year and the brief outline of the CSR policy of the Company and are set out in 'Annexure C' and 'Annexure D' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. This Policy is available on the Company's website and can be accessed at www.kgpetrochem.com.

26. RISK MANAGEMENT POLICY

The Company has developed a very comprehensive Risk Management Policy under which all key risk and mitigation plans are compiled in three stages i.e. Risk assessment/ evaluation, Risk Reporting and Management of the risk evaluated and reported. The objective of the policy is to create and protect shareholders' value by minimizing threats or losses and identifying and maximizing opportunities. The Risk Management Policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

27. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

In order to prevent sexual harassment of women at workplace "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" was notified on December 09, 2013, under the said Act, every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

In terms of the provisions of the said Act, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace.

Company has formed an “Internal Complaints Committee” for prevention and redressal of sexual harassment at workplace. The Committee is having requisite members and is chaired by a senior woman member of the organization. The following is a summary of sexual harassment complaints received and disposed of during the year 2024-2025: -

Details of Complaints	
Number of complaints at the beginning of FY 2024-2025	Nil
Number of complaints of sexual harassment received in the FY 2024-2025	Nil
Number of complaints disposed off during the year to FY 2024-2025	Nil
Number of complaints to be carried down to FY 2024-2025	Nil
Number of complaints pending for more than ninety days	Nil

28. DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

The provisions of the Maternity Benefit Act, 1961 are applicable to the Company. However, during the financial year 2024–25, there were no instances requiring compliance under the said Act. The Company remains committed to adhering to all applicable labour and welfare legislations.

29. HUMAN RESOURCE MANAGEMENT, HEALTH AND SAFETY

During the year the Company had cordial relations with workers, staff and officers. The shop floor management is done through personal touch, using various motivational tools and meeting their training requirements. The company has taken initiative for safety of employees and implemented regular safety audits, imparted machine safety training, wearing protective equipment’s etc.

Company’s continued to focus on attracting new talent while investing in organic talent development to help employees acquire new skills, explore new roles and realize their potential. The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. The total number of regular employees as of March 31,2025, was 1406.

30. NOMINATION AND REMUNERATION POLICY

The Company’s policy on Appointment and Remuneration of Directors, Senior Management Personnel and other matters as per the provisions of section 178 (3) of the Act is available on the Company’s website and can be accessed at www.kgpetrochem.com.

Further, the salient features of the policy have been disclosed in the Corporate Governance Report, which is a part of this Report.

31. PARTICULARS OF EMPLOYEES

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 45th Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in '**Annexure-E**' and forms part of this Report.

32. DEPOSITS

During the financial year under review, your Company has neither invited nor accepted or renewed any fixed deposit from public, shareholders or employees and no amount of principal or interest on deposits from public is outstanding as at the Balance Sheet date in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

33. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

34. STATUS OF CASES FILED UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The company has neither made any application nor any application was made against the Company during the financial year 2024-2025.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Listing Regulations is presented in a separate section forming part of this Report.

36. CORPORATE GOVERNANCE

The Company has complied with the requirements of corporate governance as stipulated under the listing regulations. The corporate governance report and certificate from practicing Company Secretary confirming compliance of conditions as required by Regulation 34(3) read with Part E of Schedule V of the Listing Regulations are forming part of this Report.

37. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The code of conduct has been circulated to all the members of the Board and Senior Management Personnel and they have affirmed their compliance with the said code of conduct for the financial year ended on March 31, 2025.

A declaration to this effect signed by Mr. Manish Singhal, Managing Director and Mrs. Prity Singhal, Chief Financial Officer of the Company 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 is annexed as “Annexure 1” to the Corporate Governance Report forming part of this Report.

38. LISTING OF EQUITY SHARES

The equity shares of the Company are listed on BSE Ltd. on the Main Board Platform in the list of ‘X’ Group. Further the listing fees for the Financial Year 2025-2026 have been duly paid by the company.

39. DEMATERIALISATION OF SHARES

The Company’s shares are compulsorily traded on the floor of the stock exchanges in electronic form by all investors. Equity shares of the Company representing 97.72 percent of the Company’s equity share capital are dematerialized as on March 31, 2025. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company’s shares is INE902G01016.

40. DETAILS OF NON-COMPLIANCE BY THE COMPANY

No penalties, strictures, or fines have been imposed by SEBI or any other statutory authority on the Company in relation to any matter concerning the capital markets during the financial year under review.

41. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) there was no dividend which is unclaimed/ unpaid for more than seven years, hence the company is not required to transfer any amount to Investor Education and Protection Fund.

42. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i) in the preparation of annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanations and disclosures relating to material departures, if any;
- ii) they 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 the affairs of the Company as at March 31, 2025 and of the profit of the Company for year ended on that date;

- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

43. COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

44. ACKNOWLEDGEMENT

The Board extends its sincere gratitude to customers for their continued support and appreciates the efforts of employees and the management team for their contribution to the Company's sustained performance. It also acknowledges the support of all stakeholders, including financial institutions, regulators, and business partners. Special thanks are given to the Independent and Non-Executive Directors for their strategic guidance in maintaining the Company's leadership in the Fabrics Industry.

**By Order of the Board of Directors
for KG Petrochem Ltd**

**SD/-
Gauri Shanker Kandoi
Chairman cum Whole-Time Director
DIN: 00120330**

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India

Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz; Website: www.kgpetrochem.com;

CIN: L24117RJ1980PLC001999

Conservation Of Energy, Technological Absorption, Foreign Exchange Earning and Outgo

I. CONSERVATION OF ENERGY

a. The step taken or impact on conservation of energy

Conservation of energy remains a key focus area for the Company in its pursuit of sustainable operations. Several initiatives have been undertaken across manufacturing units to reduce the overall energy footprint and promote efficient power usage. These efforts are aimed at optimizing production processes while minimizing non-essential energy loads. The major steps taken include:

- The Company continues to monitor and prioritize energy conservation across all operations. These initiatives have resulted in cost savings and reduced machine downtime, contributing to overall operational efficiency.
- Energy conservation is treated as a continuous and evolving process. The Company consistently identifies new areas for improvement and undertakes appropriate investments to enhance energy efficiency.
- Ongoing measures implemented for energy conservation include:
 1. Adoption of energy-efficient lighting systems and optimization of natural light utilization in the workplace.
 2. Reduction of energy losses through system audits and corrective measures.
 3. Replacement of outdated and energy-intensive equipment with modern, energy-efficient alternatives.

These steps reflect the Company's commitment to responsible energy usage and long-term environmental sustainability.

b. Impact of above measures:

The implementation of these energy conservation measures has led to improved environmental sustainability and more efficient utilization of power resources. The reduction in energy consumption has significantly contributed to lowering operational expenses and has resulted in a decrease in the overall cost of production.

c. The steps taken by the company for utilizing alternate source of the energy

The company has installed 1.8 MW solar plant in its Textile Unit and 250 KW solar plant in its Technical Textile Unit as an initiative of energy conservation. The company has saved total electricity Approx. 4841 unit per day.

II. TECHNOLOGY ABSORPTION

a. The efforts made towards technology absorption

The Company continues to make focused efforts towards adopting and integrating advanced technologies to enhance operational efficiency and product quality.

b. The benefits derived like product improvement, cost reduction, product development or import substitution

- Enhanced product quality and increased productivity.
- Better fuel efficiency and reduction in emissions, contributing to environmental sustainability.

c. In case of imported technology: NIL

III. FOREIGN EXCHANGE EARNING & OUTGO

Foreign exchange earnings	:	Rs. 28,883.06 Lakhs (FOB)
Foreign exchange outgo	:	Rs. 201.32 Lakhs

**By Order of the Board of Directors
for KG Petrochem Ltd**

**SD/-
Gauri Shanker Kandoi
Chairman cum Whole-Time Director
DIN: 00120330**

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India

Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz; Website: www.kgpetrochem.com;

CIN: L24117RJ1980PLC001999

Form MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

**To,
The Members,
KG Petrochem Ltd
C-171, Road No.9J, V.K.I. Area,
Jaipur-302013 Rajasthan**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KG Petrochem Ltd (CIN L24117RJ1980PLC001999) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing my opinion thereon.

Based on our verification of the company 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a. The Securities and Exchange Board of India (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 and amendments from time to time;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
- vi. As confirmed and certified by the management, the Company has complied with all the applicable laws, including general and sector-specific laws, to the extent applicable to its business operations.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii. The Listing Agreements entered into by the Company with Stock Exchange
- iii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured (if any) and recorded as part of the minutes.

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

We further report that during the audit period there were no specific events/ actions having a major bearing on the company's affairs.

**For ARMS & Associates LLP
Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025**

**SD/-
Lata Gyanmalani
Partner
FCS 10106 CP No.9774
UDIN: F010106G000963762
Jaipur, August 08, 2025**

This report is to be read with our letter of even date which is annexed as 'Annexure -1' and form an integral part of this report.

Annexure - 1

**To,
The Members,
KG Petrochem Ltd
C-171, Road No.9J, V.K.I. Area,
Jaipur-302013 Rajasthan**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For ARMS & Associates LLP
Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025**

**SD/-
Lata Gyanmalani
Partner
FCS 10106 CP No.9774
UDIN: F010106G000963762
Jaipur, August 08, 2025**

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company: KG Petrochem Limited (KGPL) believes in corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into KGPL values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, KGPL has a long and cherished tradition of commendable initiatives, institutional programmes and practices of corporate social responsibility which plays a role to improving life of the people and the surrounding environment. With this belief, the Company is committed to make substantial improvements in the social framework and education of the nearby community.

2. The Composition of the CSR Committee as on March 31, 2025, is as under:

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during year
1	Mr. Gauri Shanker Kandoi	Chairman, Executive Director	1	1
2	Mr. Manish Singhal	Member, Executive Director	1	1
3	Mr. Bridhi Chand Sharma	Member, Non- Executive Director	1	1

* Mr. Bridhi Chand Sharma resigned from the position of Independent Director with effect from July 09, 2025. Consequently, he also ceased to be a member of the Corporate Social Responsibility (CSR) Committee of the Board.

** Mr. Dilip Kumar Bhatia was appointed as an Additional Director (Non-Executive, Independent) of the Company with effect from July 09, 2025, and was also inducted as a member of the CSR Committee of the Board.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.kgpetrochem.com
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: NA
5. (a) Average net profit of the company as per section 135 (5): Not Applicable
 (b) Two percent of average net profit of the company as per section 135 (5): Not Applicable
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹12 lakhs
 (d) Amount required to be set off for the financial year, if any. - Not Applicable
 (e) Total CSR obligation for the financial year (5b+5c-5d)- ₹12 lakhs

**The Company was not subject to CSR provisions under Section 135 for the FY 2024-25. However, it continued to monitor and implement approved ongoing CSR projects initiated in the previous applicable years. Further, the balance unspent amount pertaining to FY 2023-24 remains committed and will be deployed within the permitted time frame of three years, as per Section 135(6) of the Act.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):.

- Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activitie s in Schedul e VII	Local area (Yes/No)	Location of the project		Project Duratio n	Amount allocate d for the project (in Lakhs)	Amount spent in the current financia l year (in Lakhs)	Amount transferre d to unspent CSR Account for the project as per section 135(6) (in Lakhs)	Mode of Implementa tion Direct (Yes/ No)	Mode of Implementation Agency	
				State	District						Name	CSR Registrat ion Number
NIL												

- Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII	Local area (Yes/No)	Location of the project		Project Duration	Amount allocated for the project (in Lakhs)	Amount spent in the current financial year (in Lakhs)	Amount transferred to unspent CSR Account for the project as per section 135(6) (in Lakhs)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Agency	
				State	District						Name	CSR Registration Number
1.	*Donation to Mahavir international (Eye	(i)	No	Delhi	Central Delhi	1 year	5.50	5.00	N.A.	No	Mahavir International	CSR00002906

	care day)											
2	*Donation for school fees at Saraswati Adarsh Bal Vidhya Mandir	(ii)	Yes	Rajasthan	Kothputli	1 year	0.23	0.23	N.A.	Yes	N.A.	-

**The provisions of Section 135 of the Companies Act, 2013 on CSR are not applicable to the Company for FY 2024-25. However, the Company has voluntarily incurred CSR expenditure of ₹5.23 lakhs, which shall be set off in future years when CSR becomes applicable, in accordance with Rule 7(3) of the Companies (CSR Policy) Rules, 2014.*

(b) Amount spent in administrative overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 5.23 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the financial year (In Rs.)	Amount Unspent (in Rs)				
	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
2024-2025	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
5.23 Lakhs	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount
(1)	(2)	(3)
(I)	Two percent of average net profit of the company as per section 135(5)	N.A.
(II)	Total amount spent for the Financial Year (2024-25)	Rs. 5.23 Lakhs
(III)	Excess amount spent for the current financial year 2024-25 [(ii)-(i)]	Rs. 5.23 Lakhs
(IV)	Excess amount spent in the previous financial year	-

(V)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(VI)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 5.23 Lakhs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2023-24	12.00 Lakhs	Nil	NA	NA	NA	12.00 Lakhs

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.: NA

**By Order of the Board of Directors
for KG Petrochem Ltd**

SD/- Manish Singhal Managing Director DIN: 00120232	SD/- Gauri Shanker Kandoi Chairman cum Whole-Time Director DIN: 00120330
------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------

Jaipur, August 13, 2025

Registered Office:

C-171, Road No.9J, V.K.I. Area, Jaipur-302013 Rajasthan India

Tel.: 91-141-2331231; Email: jproffice21@bhavik.biz; Website: www.kgpetrochem.com.

CIN: L24117RJ1980PLC001999

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

I. PREAMBLE

KG Petrochem Limited believes in corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into KG Petrochem values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, KG Petrochem Limited has a long and cherished tradition of commendable initiatives, institutional programmes and practices of corporate social responsibility which plays a role in improving life of the people and the surrounding environment. With this belief, the Company is committed to make substantial improvements in the social framework of the nearby community.

II. DEFINITION

- (a) "Act" means the Companies Act, 2013 and Rules framed there under;
- (b) The word "Company", wherever occur in the policy shall mean "KG Petrochem Limited".
- (c) "Corporate Social Responsibility (CSR)" means and includes but is not limited to :-
 - (i) Projects or programs relating to activities specified in Schedule VII to the Act; or
 - (ii) Projects or programs relating to activities undertaken by the Board of Directors of the Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.
- (d) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- (e) "CSR Policy" relates to the activities to be undertaken by the Company as specified in Clause IV of this policy or Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.
- (f) "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
- (g) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:
 - (i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act.
- (h) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

- (i) Terms that have not been defined in this policy shall have the same meaning assigned to them under the Companies Act, 2013 and rules made thereunder.

III. INTERPRETATION

Words and expressions used and not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 or rules made there under, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other Guidelines/ Regulation(s) promulgated by SEBI/ other statutory authorities and any amended(s) thereto from time to time.

IV. CONSTITUTION OF CSR COMMITTEE

1. The Committee shall consist of a minimum 3 Directors where one of whom shall be Independent Director.
2. Minimum two (2) members shall constitute a quorum for the Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Terms of the Committee shall be continued unless terminated by the Board of Directors.

V. CHAIRMAN

1. Chairman of the Committee shall be appointed by the Board of Directors or the Committee itself.
2. Chairman of the Company may be appointed as a member or Chairman of the Committee.
3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the CSR Committee should present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

VI. FUNCTION OF CSR COMMITTEE

The CSR Committee shall:

1. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in terms of Schedule VII of the Companies Act, 2013 or any amendment thereof.
2. Recommend the amount of expenditure to be incurred on CSR activities and
3. Monitor the CSR policy from time to time.
4. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
 - a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b. the manner of execution of such projects or programmes
 - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d. monitoring and reporting mechanism for the projects or programmes; and
 - e. details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

VII. GUIDELINES

(a) Funding & Allocation

1. For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Board of Directors of KG Petrochem Limited shall ensure that the Company spends at least 2% of its average net profits made during the three immediately preceding financial years, in pursuance of its CSR Policy.
2. If the company fails to spend such amount, the Board shall, in its report, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
3. Where a company spends an amount in excess of requirement provided under subsection (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any;
 - (ii) the Board of the company shall pass a resolution to that effect.
4. Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
5. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
6. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –
 - (i) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or
 - (ii) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - (iii) a public authority:

(b) Mode of Implementation

1. CSR programs, projects or activities, will be implemented/undertaken by the Company through one or more of the following methods:
 - a. Company by Itself –
 - i. The Chairman of the CSR Committee and as agreed upon in the Committee.
 - ii. CSR Team consisting
 - b. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 established by the company, either singly or along with any other company.
 - c. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
 - d. In collaboration with other organizations.
 - e. Other entity as specified under the Act/Rules.
2. The allocated CSR budgets/ Corpus will be utilized for CSR activities undertaken within India:
 - a. which are not exclusively for the benefit of employees of the Company or their family members; and
 - b. which are not undertaken in pursuance of normal course of business of the Company.

(c) CSR Activities

The CSR initiatives of the Company are identified in consultation with the management, social experts, community and other stakeholders. The implementation strategy is planned in a way so as to give sustainable and scalable solutions. The identified focus areas for the Company are:

- i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

- vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
- viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
- x) Rural development projects;
- xi) slum area development;
- xii) disaster management, including relief, rehabilitation and reconstruction activities;

Explanation- For the purposes of this item, the term slum area shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

The Above list is illustrative not exhaustive. All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society and comes under the purview of Schedule VII of Companies Act, 2013 and rules made thereunder, amended from time to time.

(d) Monitoring mechanism

The implementation of the CSR policy and execution of projects, programmes and activities undertaken by the Company shall be carried out under the overall superintendence, control and guidance of the CSR Committee. The CSR Committee shall closely monitor such activities and may also further constitute internal monitoring groups and/or sub-committees for different projects, programmes and activities, as may be required from time to time.

(e) Review

The minutes of the meetings of the CSR Committee shall be placed before the Board of Directors for their information. The Board of Directors shall have the power to make amendments, suggest new measures and/or otherwise amend the powers of the CSR Committee from time to time.

(f) CSR Reporting

1. The Board's Report of a company shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II as applicable;

2. The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website i.e. www.kgpetrochem.com, for public access.
3. (a) In case the company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

(b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

(c) A Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

(g) Carry forward of Excess CSR Contribution

In case Company spends an amount in excess of the statutory requirements of the CSR obligation then Company may set off such excess amount against the requirement to spend under this subsection upto immediate succeeding three (3) financial years and in such manner, as prescribed in CSR rules.

(h) Transfer of unspent CSR Amount

If the Company fails to spend the CSR obligation then the Board shall specify the reasons for the same and:

1. Analyse the “unspent” amount
2. If and to the extent it pertains to “ongoing project” – transfer the unspent amount in a separate bank account [unspent CSR account] –within 30 days of the end of Financial Year
3. Or else, transfer unspent amount to National Unspent Fund, within 6 months of the end of the financial year.

VIII. BOARD RESPONSIBILITY

The Board of Directors of the Company shall ensure that:

1. CSR activities, as per clause 3 of this Policy, are undertaken by the Company.
2. the Company spends, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this Policy.
3. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

4. In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
5. The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

IX. REVIEW AND AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy, on recommendation of the CSR Committee and in accordance with the provisions of Companies Act, 2013 and rules framed thereunder as and when required and that will be followed by the CSR Committee.

Last Amended August 20, 2021

ANALYSIS OF MANAGERIAL REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended the statistical analysis of the remuneration paid to Directors and Key Managerial Personnel (KMP) as against the other employees of the company and with respect to the performance of the company (PAT) is given below:

1. The percentage increase in the remuneration of each director and the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25:

Name of the Director	Ratio of remuneration to median employee of the company *	Percentage increase in the remuneration for the Financial Year 2024-25 as compared to previous year remuneration
Gauri Shanker Kandoi	21.79 %	N.A*
Manish Singhal	49.03 %	N.A*
Prity Singhal	32.69 %	N.A*
Ajay Kumar Sharma	8.17%	4.16%

*Median Remuneration of the Employees of the Company is considered to be Rs. 183532 per year.

2. The percentage increase in remuneration of following Key Managerial Personnel (KMP), if any, in the financial year 2024-25:

Name of the KMP	Designation	Percentage increase in the remuneration for the Financial Year 2024-25 as compared to previous year remuneration
Prity singhal	CFO	Nil
Navita Khunteta	Company Secretary	N.A

3. The percentage increase in the median remuneration of the employees in the financial year 2024-25: 10.23%

4. The number of permanent employees on the rolls of the company as on March 31, 2025: **1406**

5. Average percentile increase already made in the salaried of the employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in Managerial Remuneration:

Average % increase in the salary of employees other than managerial Personnel	2025: 10.23%
Average % increase in the salary Managerial Personnel	2025: NA

*** In view of financial of the company, there is decrease in the remuneration of Managerial Person for the F.Y 2024-25.

It is hereby affirmed that the remuneration paid to employees during the year is as per the Remuneration Policy of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

WORLD ECONOMY

Global growth is projected to be in line with the April 2025 World Economic Outlook (WEO) forecast, at 3.3 percent in 2025 and 3.1 percent in 2026. Services inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher for even longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. The policy mix should thus be sequenced carefully to achieve price stability and replenish diminished buffers. Global inflation is forecast to decline steadily, from 5.9 percent in 2024 to 4.5 percent in 2025 and 3.6 percent in 2026, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

INDIAN ECONOMY

The Indian economy demonstrated strong resilience and robust performance during the financial year 2024-25, achieving an impressive GDP growth rate of **8.2%**, a significant improvement compared to **7%** in the previous financial year (2023-24). This growth comes despite ongoing global uncertainties and challenges in the international market.

Reflecting this momentum, the **World Bank** has revised its GDP growth forecast for India in FY 2024-25 from **6.4% to 6.6%**, citing strong public and private investment, a rebound in private

consumption, and sustained strength in industrial and services sectors. This upward revision comes even as agricultural output faces some headwinds.

Looking ahead, the World Bank also upgraded its forecast for FY 2025-26 from **6.5% to 6.7%**, reinforcing confidence in India's economic trajectory.

India continues to be recognized as the **fastest-growing major economy** in the world. Leading global institutions have echoed this sentiment:

- The **Reserve Bank of India (RBI)** projects a **7.2%** growth rate for FY 2024-25.
- **Morgan Stanley** anticipates **6.8%** growth.
- **Moody's** forecasts the economy to expand by **6.6%**.

Other global organizations such as the **International Monetary Fund (IMF)**, **United Nations (UN)**, and the **Asian Development Bank (ADB)** have also revised their outlooks positively, further validating the strength and resilience of India's economic fundamentals.

Despite global headwinds and a moderated performance in agriculture, India's growth continues to be driven by robust domestic demand, proactive fiscal policies, and a favourable investment climate.

GLOBAL TEXTILE INDUSTRY

The global textile market grew from about US\$ 690 billion in 2024 to US\$ 696.16 billion in 2025 at a compound annual growth rate (CAGR) of 8.7%. The growth in the historic period can be attributed to growth in world population, increased demand in man-made fibers, government initiatives for the textile industry, strong economic growth in emerging markets and a ban on plastic usage.

The factors that affected the industry for the financial year are;

- Inflation Increasing the Cost of Living
- Increasing Demand for Luxury Fashion
- Key Players Are Changing Their Trade Policies
- Continued Globalisation of Value Chains
- Greenwashing vs. Sustainability
- New And Emerging Business Models
- New And Emerging Business Models
- The Growing Talent Deficit

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. India is among the top five textile manufacturing country and is responsible for more than 4% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production.

INDIAN TEXTILE INDUSTRY

India continues to strengthen its position as the **world's second-largest producer of textiles and garments**, with the industry maintaining a **healthy growth rate of 10%** in the previous fiscal year, making it the **second-fastest-growing textile industry globally**.

A key growth driver within this sector is the **technical textile segment**, which is playing an increasingly significant role in both the Indian and global economy. In **FY 2024–25**, technical textiles accounted for **15% of India's total textile market**, reflecting rising domestic consumption and industrial demand.

Market Outlook and Growth Projections

- The Indian technical textile market is projected to grow at a **CAGR of 6.2% from 2024 to 2030**, fueled by increased demand in sectors such as healthcare, agriculture, construction, and defense.
- Globally, the technical textile market was valued at **USD 240 billion in 2024** and is expected to reach **USD 330 billion by 2028**, growing at a **CAGR of 8.2%**.
- Key global growth drivers include increasing emphasis on safety and security textiles, as well as a surge in demand for filtration and separation technologies.

Export Performance

- In **FY 2024–25**, exports of **readymade garments (cotton including accessories)** reached **USD 11.68 billion as of March 2025**, registering an approximate **6.7% growth** over the previous year. The Indian textile and garment export industry remains on track to achieve its ambitious target of **USD 100 billion in exports by 2030**.

Growth Enablers

India's technical textile sector is poised for continued expansion, driven by:

- Rising domestic demand across diverse industries
- Government initiatives and policy support, including the National Technical Textiles Mission (NTTM)
- Availability of skilled labor and infrastructure
- Strong emphasis on innovation, sustainability, and smart textiles

COMPANY OVERVIEW

Incorporated in 1980, Jaipur-based KGPL is promoted by Mr. G. S. Kandoi. KGPL is engaged in the manufacturing of terry towel and made up as well as artificial leather. KGPL also works as a consignment stockist of GAIL (India) Ltd. for polymers for Rajasthan under its agency division. Terry towel segment is the major revenue earner for the company, contributing ~77% of its TOI in FY24. The manufacturing facility of KGPL is located at Tehsil Kotputli, near Jaipur, Rajasthan with an aggregate installed capacity of 6,200 Metric Tonne Per Annum (MTPA) for terry towel division

and 100 lakh meters for Synthetic PU/PVC leather as on March 31, 2025, while agency division is operated from unit located at Vishwakarma Industrial (VKI) Area, Jaipur. The company's stitching unit is also located in VKI area, Jaipur.

Your company is engaged in the business of manufacturing and services as under:-

- i. Manufacturing and marketing of Terry Towel, Made-ups & Garments etc. in the international market as well as domestic - Textile Division.
- ii. Manufacturing and marketing of Garments Products i.e. Bath Robe, Pillow, Cushion Cover and Quilts etc. – Garment Division.
- iii. Consignment Stockiest of GAIL (I) LTD. for marketing and distribution of polymers in Rajasthan- Agency Division.
- iv. Technical Textiles - Manufacturing of Artificial leather through technical textile

OPPORTUNITIES & THREATS

Positive factors

- Maintenance of Total Operating Income (TOI) above Rs.300 crore along with improvement in operating profitability and Return on Capital Employed (ROCE) each, above 10%, resulting in better gross cash accruals.
- Maintenance of overall gearing below unity

Negative factors

- Decline in TOI below Rs.200 crore and/or moderation in PBILDT margin below 7% on a sustained basis.
- Moderation in capital structure above 1.20x along with moderation in debt coverage indicators.
- Elongation of working capital cycle beyond 180 days on sustained basis.

The Company faces various risks including fluctuations in market interest rates, rising raw material costs, compliance issues, personnel risks, currency exchange rate movements, changes in Indian government policies, and competitive pressures. To manage these risks, the Company employs forward booking and effective inventory management strategies. It also actively develops and maintains strong vendor relationships and leverages its reputation for quality and product differentiation. Compliance risks are addressed through regular internal and external audits. The Company's approach includes providing comprehensive solutions and innovative products, which helps hedge a significant portion of its expected export revenues. Additionally, it keeps a close watch on government policies to mitigate any potential adverse effects and strengthens client relationships to lessen competitive risks. However, an appreciation of the Rupee against the USD and changes in the GST regime could pose significant financial challenges.

BUSINESS OUTLOOK

KGPL's TOI remained moderate at Rs.334.35 crore in FY24 (Rs.306.32 cr. In FY23). It grew by 9% y-o-y due to increase in sales volume of terry towels with recovery in export demand from Q4FY24 onwards. Sales for the artificial leather segment however declined from Rs.66.18 cr. in FY23 to Rs.44.60 cr.

Operating margin of the company has witnessed continuous moderation over last two years ended FY24 to 6.48% (9.60% in FY23 and 12.04% in FY22), due to volatile input prices (cotton yarn and dyes & Chemicals) and constrained sales realizations owing to a slowdown in export market. Furthermore, though the terry towel segment witnessed improvement in sales and profitability in Q4FY24, the overall profitability remained subdued owing to continued losses in the artificial leather segment. With this, company registered gross cash accruals (GCA) of Rs.13.87 crore, which stood significantly lower than the GCA of 30 crore registered in FY22. CARE also notes significant deviation in the GCA as against envisaged during the last review.

For FY25, company is expected to register moderate growth in TOI alongwith some improvement in operating margin owing to recovery in terry towel demand and correction in raw material prices. However, considering the significant moderation in profitability vis-a-vis previous years, extent of this recovery shall remain crucial from credit perspective.

Leveraging its efficient management and skilled workforce, the Company is committed to driving growth in turnover while reducing expenses. We aim to sustain this positive trend by expanding into both domestic and new international markets. Our ongoing efforts include comprehensive training for staff to lower costs and enhance productivity and efficiency. Despite these initiatives, the competitive landscape—both internationally and domestically—exerts continuous pressure on our product pricing.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company's robust internal control systems for financial reporting are appropriately tailored to its size and industry. These controls enhance efficiency and productivity at all levels, while safeguarding assets. Comprehensive procedures ensure accurate recording and dependable financial and operational support. Internal operations are meticulously monitored by the internal team and an Audit Committee, with the Management Board receiving timely updates on any issues. To facilitate seamless growth, the company implements strategies for risk identification, assessment, and mitigation based on these evaluations.

The corporate audit division, under the leadership of the Chief Financial Officer, is responsible for the ongoing assessment of the effectiveness of internal controls. Its mission is to provide the Audit Committee and the Board of Directors with independent, objective assurance on the adequacy and efficiency of the organization's risk management, control, and governance practices. Additionally, this division identifies opportunities to enhance business processes, systems, and controls, offering recommendations to add value to the organization. It also tracks the implementation of corrective actions and process improvements following the Audit Committee's review.

RISK & CONCERNS

The prices of raw cotton are volatile in nature and depend upon factors like area under production, yield for the year, international demand supply scenario, export quota decided by the government and inventory carry forward from the previous year. Also, the production of cotton in India is dependent upon the vagaries of the monsoon. Accordingly, any sharp adverse fluctuations in cotton prices may affect the profitability of KGPL. Further, KGPL earns large part of its revenue from exports, which exposes its profitability to volatility in forex rates. However, majority of forex risk is mitigated as KGPL hedges entire forex exposure through forward contracts.

The Company is exposed to risk from market interest rates and increase of raw material prices, compliance risk, people risk, currency movements, change in Indian government policies and competition. The Company is impacted by the change in the business environment both within the Country and globally and this necessitates continuous evaluation. The Company proactively manages these risks through forward booking and Inventory Management, proactive management of vendor development and relationships, and Company's strong reputation for quality, product, differentiation and services. The Company is mitigating the compliance risk through regular review of legal compliances through internal as well as external compliance. Company's strategy of providing end-to-end solutions and innovative products, hedges significant portion of its export revenues expected for the following year, The Company continuously monitors govt policies and take measures to minimize any adverse impact and maintaining strong relationship with clients helps in reducing competitive risks. Rising of Rupees against USD will be a big loss to the company along with few changes made in GST regime.

STATUTORY COMPLIANCE

On obtaining confirmation of having complied with all the statutory requirements, a declaration regarding compliance of the provisions of various statutes is made elsewhere in this report.

INDUSTRIAL RELATIONS

As in the past, Industrial relations continued to remain cordial at the manufacturing units of the company.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

We look our employees as our most valuable assets and have been working towards keeping them motivated and enthused. The employees of the company are working in a healthy atmosphere. The Company is constantly endeavoring to source and develop skilled manpower at all levels. Lack of skilled manpower availability is a challenge of today. But the Company is constantly recruiting fresher and trains them to become suitably skilled.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectations may incorporate certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied elsewhere. 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 governmental regulations, tax regimes, forex markets, economic developments within India and the countries within which the Company conducts business besides other incidental factors.

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At KGPL, corporate governance is built on a value-driven framework that ensures our operations are conducted with fairness, transparency, and accountability. As a responsible organization, we uphold democratic and open processes across all aspects of our business. Over time, we have developed comprehensive guidelines and best practices to ensure timely and accurate disclosure of our financials, performance, leadership, and governance matters.

We are committed to maintaining a Board of appropriate size and capability to effectively fulfill its responsibilities. Additionally, we regularly review our systems, policies, and delegation structures to ensure a robust and effective framework for risk management and internal control.

II. BOARD COMPOSITION

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills, including expertise in financial, global business, leadership, board service and governance, sales and marketing, risk management which will ensure that KGPL retains its competitive advantage.

- i. As on March 31, 2025, the total Board strength comprises of 8 (Eight) Directors out of which 4 (Four) Directors are Executive Directors and 4 (Four) are Non- Executive Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act. The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation, 17(1)(a) and 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(hereinafter referred to as SEBI Regulations)
- ii. None of the Directors on the Board:
 - a) holds directorships in more than ten public companies;
 - b) serves as Director or as independent directors in more than seven listed entities; and

- c) who are the Executive Directors serves as an independent director in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2025, have been made by the Directors.

- iii. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- iv. Six Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 24, 2024, August 13, 2024, November 13, 2024, December 30, 2024, February 12, 2025 and March 01, 2025. The necessary quorum was present for all the meetings.

The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2025 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name, Designation of the Director	DIN of the Director	Category	Number of Board Meetings attended during the FY 2024-25	Whether attended last AGM held on September 25, 2024	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
					Chairpersons on	Member	Chairperson	Member	
Mr. Gauri Shanker Kandoi DIN:00120330 Chairman cum Whole Time Director		Non-Independent, Executive	6	Yes	-	-	-	-	-
Mr. Manish Singhal DIN: 00120232 Managing Director		Non-Independent, Executive	6	Yes	-	-	-	-	-
Mrs. Prity Singhal DIN: 02664482 Whole Time Director		Non-Independent, Executive	6	Yes	-	-	-	-	-
Mr. Ajay Kumar Sharma DIN: 09404189 Director		Non-Independent, Executive	6	Yes	-	-	-	-	-
Mr. Anand Mishra DIN: 00288257 Director		Independent, Non-Executive	6	Yes	-	-	-	-	-
Mrs. Vani Jain DIN: 08260267 Director		Independent, Non-Executive	6	Yes	-	-	-	-	-
Mr. Bridhi Chand Sharma DIN: 08370330 Director		Independent, Non-Executive	6	Yes	-	-	-	-	-
Mr. Vikas Damani DIN:00385807 Director		Independent, Non-Executive	6	Yes	-	-	-	-	-

- i. During financial year 2024-2025, one meeting of the Independent Directors was held on March 01, 2025. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- ii. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- iii. Details of equity shares of the Company held by the Directors as on March 31, 2025 are given below:

Name of the Director	Category	Number of equity shares
Mr. Gauri Shanker Kandoi	Non- Independent, Executive	14,28,798
Mr. Manish Singhal	Non- Independent, Executive	14,44,687
Mrs. Prity Singhal	Non- Independent, Executive	2,64,049

- iv. Non-executive Independent Directors of the company do not hold shares more than 2% of total capital of the company as on March 31, 2025.
- v. The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding of global business dynamics, across various geographical markets and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

Skills/ Expertise/ Competence of the Board of Directors

As per the sub clause 'h' of clause 2 of part C of Schedule V of SEBI (LODR) Regulations, 2015 the Board has identified the following list of core skills/ expertise/ competencies required in the context of the Company's business which are available with the Board:

- Industry Experience, Research & Development and Innovation
- Global Business
- Corporate Governance
- Financial, Regulatory/ Legal and Risk Management

Name of the Director	Area of Expertise
Mr. Gauri Shanker Kandoi	Leadership/Operational Experience, Industry experience, Global Business, Financial, Regulatory/ Legal & Risk Management
Mr. Manish Singhal	Leadership/Operational Experience, Strategic and Planning, Industry experience, Research & Development and Innovation, Global Business
Mr. Ajay Kumar Sharma	Experience in the field of Marketing and Sales.
Mrs. Prity Singhal	Strategic and Planning, Industry experience, Global Business
Mr. Bridhi Chand Sharma	Industry experience, Regulatory/Legal & Risk Management, Corporate Governance
Mr. Anand Mishra	Leadership/Operational Experience, Strategic and Planning, Industry experience, Research & Development and Innovation, Global Business
Mrs. Vani Jain	27 years in field of management, sales and marketing
Mr. Vikas Damani	Experience in Transmission Line, Substation, Hardware and Accessories.

III. BOARD COMMITTEES

- i. There are five Board Committees as on March 31, 2025, details of which are as follows:

Name of the committee	Extract of terms of reference	Category and composition		Other details
Audit Committee	Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing	Name	Category / Designation	• Four meetings of the Audit
		Mr. Bridhi Chand	Independent, Non-	

	Regulations and Section 177 of the Act.	Sharma	Executive/ Chairperson	<p>Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: May 24, 2024, August 13, 2024, November 13, 2024, February 12, 2025. The necessary quorum was present for all the meetings.</p> <ul style="list-style-type: none">• Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.• The Company Secretary acts as the Secretary to the Audit Committee.• Minutes of the Audit Committee Meetings are circulated to all the Members of the Audit Committee and thereafter discussed and noted at the subsequent Board Meetings.
	<p>1. Overview of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position as well as to ensure that correct, sufficient and credible information are disclosed;</p> <p>2. Recommending to the Board the appointment, re-appointment and replacement/ removal of Statutory Auditor and fixation of audit fee and payment of any other service;</p> <p>3. Reviewing with Management, the annual financial statements before submission to the Board for approval, focusing primarily on:</p> <p>a. Matters required being included in the Directors’ Responsibility Statement included in the report of the Board of Directors.</p> <p>b. Any changes in accounting policies and practices thereof and reasons for the same.</p> <p>c. Major accounting entries involving estimates based on the exercise of judgment by management.</p> <p>d. Significant adjustments made in the financial statements arising out of Audit findings.</p> <p>e. Compliance with Stock Exchange and other legal requirements concerning financial</p>	Mr. Vikas Damani	Independent, Non-Executive/Member	
		Mr. Anand Mishra	Independent, Non-Executive/ Member	

	<p>statements.</p> <p>f. Disclosure of related party transactions.</p> <p>g. The going concern assumption and compliance with Accounting Standards.</p> <p>h. Qualifications in draft audit report.</p> <p>4. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;</p> <p>5. To seek information from any employee;</p> <p>6. To obtain outside legal and professional advice;</p> <p>7.To seek approval or any subsequent modification of transactions of the company with related parties;</p> <p>8. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;</p> <p>9. Reviewing with the management, the statement of uses/ application of funds raised through an issue i.e. public issue, rights issue, preferential issue, etc;</p> <p>10.Reviewing, with the management, performance of Statutory and Internal Auditors, and adequacy of the Internal Control Systems;</p>		
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	<p>11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> <p>12. Discussion with Internal Auditors on any significant findings and follow up there on;</p> <p>13. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the board;</p> <p>14. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> <p>15. To review the functioning of the Whistle Blower mechanism, in case the same is existing;</p> <p>16. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate;</p> <p>17. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments</p>		
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	<p>existing as on the date of coming into force of this provision;</p> <p>18. Review the management discussion and analysis of financial condition and results of operations;</p> <p>19. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;</p> <p>20. Review the management letters/letters of internal control weaknesses issued by the Statutory Auditors;</p> <p>21. Review the Internal Audit reports relating to internal control weaknesses; and The appointment, removal and terms of remunerations of the Chief Internal Auditor shall be subject to review by the Audit Committee;</p> <p>22. Review the:</p> <p>a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);</p> <p>b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).</p> <p>23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.</p>			
Nomination &	Committee is constituted in line with the	Name	Category/Designation	• Two meetings of the

Remuneration Committee	provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.	Mr. Bridhi Chand Sharma	Independent, Non-Executive/Chairperson	Nomination & Remuneration Committee were held during the year under review. The said meetings were held on August 13, 2024, March 01, 2025. The necessary quorum was present for all the meetings. <ul style="list-style-type: none">• The Company Secretary acts as Secretary to the Committee.• The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.• Minutes of the Nomination and Remuneration Committee Meetings are circulated to all the Members of the Nomination and Remuneration Committee and thereafter discussed and noted at the subsequent Board Meetings.
	1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees; 2. Formulation of criteria for evaluation of performance of independent directors and the board of directors; 3. Devising a policy on diversity of Board of Directors; 4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal; 5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; 6. Recommended to the Board, all remuneration, in whatever form, payable to Senior Management; 7. Such other matters as the Board may	Mr. Anand Mishra	Independent, Non-Executive/ Member	
		Mr. Vikas Damani	Independent, Non-Executive/Member	

	<p>from time to time request the Nomination and Remuneration Committee to examine and recommend/ approve;</p> <p>Any other work and policy, related and incidental to the objectives of the Committee as per provisions of the Act and rules made there-under and the SEBI Regulations.</p>			
Stakeholder Relationship Committee	Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.	Name	Category/Designation	<ul style="list-style-type: none">• One Meeting of Stakeholder Relationship Committee was held during the year under review on March 01, 2025. The necessary quorum was present for the meeting.• The Company Secretary acts as Secretary to the Committee.• Investor Grievance Redressal: During the financial year 2024-25 no complaints were received and resolved by the Company. Further, no complaint was pending as on March 31, 2025.
		Bridhi Chand Sharma	Independent, Non-Executive/Chairperson	
		Gauri Shanker Kandoi	Executive Director/Member	
		Manish Singhal	Executive Director/Member	
	1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;			
2. Review of measures taken for effective exercise of voting rights by shareholders;				
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;				
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual				

	reports/statutory notices by the shareholders of the company.			
Corporate Social Responsibility Committee	<p>Committee is constituted in line with the provisions of Section 135 of the Act.</p> <ol style="list-style-type: none"> Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013; Recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities; Monitor the Corporate Social Responsibility Policy of the company from time to time. 	Name	Category/ Designation	<ul style="list-style-type: none"> One Meeting of Corporate Social Responsibility Committee was held during the year under review on March 01, 2025. The necessary quorum was present for the meeting.
		Gauri Shanker Kandoi	Executive Director/Chairperson	
		Manish Singhal	Executive Director/Member	
		Bridhi Chand Sharma	Independent, Non-Executive/Member	
Finance Committee	<p>Finance Committee oversight responsibilities with respect to the monitoring the Company's financial resources, including its capital management and recovery and resolution planning processes. The brief description of terms of reference of Finance Committee, inter alia, includes the following:</p> <ul style="list-style-type: none"> review the Corporation's capital structure and annual capital plan, including its capital adequacy and capital planning process, stress-testing and related activities, capital raising, capital distributions, as well as approve and 	Name	Category/ Designation	<ul style="list-style-type: none"> Five Meetings of Finance Committee were held during the year under review on April 30, 2024, August 13, 2024, October 18, 2024, January 17, 2025, March 15, 2025. The necessary quorum was present for all the meeting.
		Gauri Shanker Kandoi	Executive Director/Chairperson	
		Manish Singhal	Executive Director/Member	
		Bridhi Chand Sharma	Independent, Non-Executive/Member	

	<p>recommend to the full Board approval of our annual capital plan submission and capital management policy;</p> <ul style="list-style-type: none"> • review financial aspects of the Corporation's recovery and resolution plans, and • review any additional matters that the Board of Directors may direct to the Committee. 		
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ii. Nomination and Remuneration Committee-other details

Criteria for performance evaluation of Independent Directors and the Board:

As per the provisions of the SEBI Regulations, the Nomination and Remuneration Committee (the "Committee") has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board. The manner for performance evaluation/ assessment of the Directors (including Independent Directors), KMPs and the senior officials of the Company is conducted on an annual basis and to satisfy the requirements of the Companies Act, 2013 and SEBI Regulations.

The following criteria assist in determining how effective the performances of the Directors (including Independent Directors)/ KMPs/ Senior officials have been:

1. leadership & stewardship abilities;
2. contributing to clearly define corporate objectives & plans;
3. communication of expectations & concerns clearly with subordinates;
4. obtain adequate, relevant & timely information from external sources;
5. review & approval achievement of strategic and operational plans, objectives, budgets;
6. regular monitoring of corporate results against projections ;
7. identify, monitor & mitigate significant corporate risks;
8. assess policies, structures & procedures;

9. direct, monitor & evaluate KMPs, senior officials;
10. review management's succession plan;
11. effective meetings;
12. assuring appropriate board size, composition, independence, structure;
13. clearly defining roles & monitoring activities of committees;
14. review of corporation's ethical conduct.

Evaluation on the aforesaid parameters was conducted by the Independent Directors for each of the Executive/ Non-Independent Directors, in a separate meeting of the Independent Directors.

The Board evaluated/ assessed each of the Directors along with its own performance and that of the committees on the aforesaid parameters and in the manner as laid down below.

➤ **Of the Board as a whole:**

The performance of the Board was evaluated from the reviews/feedback of the directors themselves. The broad parameters for reviewing the performance of the Board, inter alia, contained the following:

- i. Development of suitable strategies and business plans at appropriate time and its effectiveness;
- ii. Implementation of robust policies and procedures;
- iii. Size, structure and expertise of the Board;
- iv. Oversight of the Financial Reporting Process, including Internal Controls;
- v. Willingness to spend time and effort to learn about the Company and its business.

➤ **Of Individual Director(s):**

Evaluation of Managing Director/Whole time Director /Executive Director: The performance evaluation of Managing Director, Executive Director of the Company was done by all the directors including Independent Directors.

➤ **Evaluation of Independent Directors:**

- i. The Schedule IV of the Companies Act, 2013, i.e. "Code for Independent Directors" provides for the evaluation of Independent Directors.
- ii. Under the view of this provision, the performance evaluation of ID's was done by the entire Board of Directors, excluding the director being evaluated on the basis of the following criteria and including the parameters of evaluation of individual directors:

- iii. Exercise of objective independent judgment in the best interest of Company and;

➤ **Evaluation of Committees:**

The performance of the Committees of the Board was evaluated by the Directors, on the basis of the terms of reference of the Committee being evaluated. The broad parameters/criteria for reviewing the performance of all the Committees, inter alia, were

- i. Discharge of the functions and duties as per the terms of reference;
- ii. Process and procedures followed for discharging the functions;
- iii. Effectiveness of suggestions and recommendations received;
- iv. Size, structure and expertise of the Committee; and
- v. Conduct of the meetings and procedures followed in this regard

➤ **Details of Remuneration paid to Directors during financial year 2024-25**

During the year, the Company has paid remuneration as mentioned below:

Name of the Director	Designation	Salary and allowances	Stock options/ Performance Incentive	Total
Mr. Gauri Shanker Kandoi	Chairman cum Whole Time Director	48,00,000	-	48,00,000
Mr. Manish Singhal	Managing Director	90,00,000	-	90,00,000
Mrs. Prity Singhal	Whole-Time Director	60,00,000	-	60,00,000
Mr. Ajay Sharma	Executive Director	15,00,000	-	15,00,000

Notes:

- a) The Company does not have any pecuniary relationship with any Non-Executive Independent Director except for reimbursement of traveling expenses to the Directors for attending Board Meeting. No sitting fee is paid for attending the meetings of Board/ Committees of Directors.
- b) The company has issued memorandum of terms and conditions of appointment including remuneration to Managing Director and Whole-Time Director of the Company.

➤ **Remuneration Policy:**

In accordance with the provisions of section 178 of the Act, the Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees.

The Policy is directed towards a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The policy is placed on Company website www.kgpetrochem.com.

- **Remuneration to the Managing Director/ Whole-time Director:**

The Managing Director/ Whole-time Director shall be eligible for remuneration as per the ceiling limit prescribed under the Companies Act, 2013 and in accordance to the special resolution passed in the General Meeting. The same be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration as per law.

- **Remuneration to Non- Executive/ Independent Director:**

The Non-executive/ Independent Directors of the Company may be paid sitting fees, if any, as per the applicable Regulations and no sitting fee shall be paid to Executive Directors. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

- **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013.

iii. Number of committee meetings held and attendance records

Name of the Committee	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Finance Committee
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No. of Meetings held	4	2	1	1	5
Date of meetings	May 24, 2024, August 13, 2024, November 13, 2024, February 12, 2025	August 13, 2025, March 01, 2025	March 01, 2025	March 01, 2025	April 30, 2024, August 13, 2024, October 18, 2025, January 17, 2025, March 15, 2025
No. of Meetings Attended					
Name of Member					
Mr. Gauri Shanker Kandoi	-	-	1	1	5
Mr. Manish Singhal	-	-	1	1	5
Mr. Ajay Sharma	-	-	-	-	-
Mrs. Prity Singal	-	-	-	-	-
Mrs. Vani Jain	-	-	-	-	-
Mr. Bridhi Chand Sharma	4	2	1	1	5
Mr. Anand Mishra	4	2	-	-	-
Mr. Vikar Damani	4	2	-	-	-
Whether quorum was present for all the meetings	The necessary quorum was present for all the above committee meetings.				

IV. GENERAL BODY MEETINGS

i. General Meeting

a. Annual General Meeting ("AGM"):

S. No.	Day, Date and Time of AGM/EGM	Venue	Special Resolution Passed
1.	42 nd AGM on August 23, 2022 at 12:30 P.M	Video Conferencing	1. Appointment of Mr. Vikas Damani as an Independent Non-Executive Director of the Company.

			2. Appointment of Mr. Ajay Kumar Sharma as an Executive Director of the Company.
2.	43 rd AGM on September 15, 2023 at 12:30 P.M	Video Conferencing	1. Appointment of Mrs. Vani Jain (DIN: 08260267) as an Independent Non-Executive Director of the Company. 2. Approve the Re-appointment of Mr. Gauri Shanker Kandoi (DIN:00120330), as Chairman cum Whole-Time Director of the Company 3. Approve the re-appointment of Mr. Manish Singhal (DIN: 00120232), as Managing Director of the Company. 3. Re-appointment of Mrs. Prity Singhal (DIN: 02664482), Whole-Time Director of the company
3.	44 th AGM on September 25, 2024 at 11:15 A.M	Physical	1. Appointment of Mr. Bridhi Chand Sharma, as Non-Executive Independent Director of the Company for the Second Term of Five Consecutive Years.

b. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during financial year 2024-2025.

c. Postal Ballot

No resolution passed through Postal ballot during the financial year 2024-25.

V. PLEDGE OF SHARES:

No Pledge has been created over the Equity Shares held by the Promoters and/or Promoter Group Shareholders during the financial year ended 31st March, 2025.

VI. REVIEW OF LEGAL COMPLIANCE REPORTS:

Alike the previous years, the Board, during the year, periodically reviewed the reports placed by the management with respect to adherence and compliance with various laws and regulations applicable on the Company. The Internal Auditors also reviewed the compliance status of the Company within their terms of reference and reported to the Audit Committee accordingly.

VII. MEANS OF COMMUNICATION

Financial Results:

The quarterly, half-yearly and annual financial results of the Company are published in Business Remedies in Hindi (Vernacular) language and Financial Express in (English) Language. The results are also displayed on the Company's website www.kgpetrochem.com.

The Company has regularly furnished, by way of online electronic uploading on BSE Listing Centre the quarterly/ half-yearly/ annual audited results to the Stock exchanges i.e. BSE within the timelines prescribed by SEBI in this regard.

Website & Newsletter:

The Company's website www.kgpetrochem.com contains a dedicated functional segment called 'Investors Information' where all the information needed by the shareholders is available, including the Corporate Governance Report, Shareholding Patterns, Financial Results, Annual Reports and other relevant intimations sent to exchanges.

News Releases, Presentations, etc:

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts are posted on the Company's website www.kgpetrochem.com.

BSE Corporate Compliance & Listing Centre (the "Listing Centre"):

The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, etc. are filed electronically on the Listing Centre.

SEBI Online Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

VIII. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting

Day and Date	: Thursday, September 18, 2025
Time	: 12:00 P.M.
Venue	: 6th Floor, No.602, Monarch Building, Amrapali Marg, Hanuman Nagar, Vaishali Nagar, Jaipur-302021, Rajasthan
Contact Number	: 9983340261

(ii) Financial Year

April 1, 2024 to March 31, 2025

(iii) Date of Book Closure/ Record Date

Friday 12/09/2025 to Thursday 18/09/2025

Record date: Thursday, September 11, 2025

(iv) Listing on Stock Exchange

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001; Scrip Code: 531609

Listing Fees as applicable have been paid.

(v) Registrar & Share Transfer Agent

Name and Address : Niche Technologies Pvt. Ltd
3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700017 West Bengal
Telephone : (033) 22806616
Fax : (033) 22156823
E-mail : nichetechpl@nichetechpl.com
Website : www.nichetechpl.com

(vi) Share Transfer System

In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/ credit of the accounts involved.

(vii) Shareholding as on March 31, 2025:

a) Distribution of Shareholding as on March 31, 2025

Sr. No.	Shareholding of Nominal Value	No. of Holders	% to total	Total Share	% to total
1	Up to 500	536	83.1008	44,619	0.8546
2	501 to 1000	73	11.3178	61,938	1.1863
3	1001 to 5000	17	2.6357	32,144	0.6157
4	5001 to 10000	3	0.4651	21,431	0.4105
5	10001 to 50000	5	0.7752	1,09,659	2.1003
6	50001 to 100000	1	0.1550	52,600	1.0075
7	100001 to above	10	1.5504	48,98,609	93.8251
Total		645	100.00	52,21,000	100.00

b) Categories of equity shareholding as on March 31, 2025

Category	No. of shares held	% of shareholding
Promoter & Promoter Group	38,98,034	74.66
Public – Institutions	-	-
Public – Non Institutions	13,22,966	25.34
Total	52,21,000	100.00

c) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) as on March 31, 2025

Sr. No.	Name of shareholders	No. of Equity shares	% of holding
1	M T Financial Services Private Limited	208000	3.984
2	Manik Chand Fogla	35200	0.674
3	Neelam Mittal	15339	0.294
4	Prabhudayal Fogla	12300	0.236
5	Pratyush Mittal	35837	0.686
6	Prudential Capital Markets Ltd.	52600	1.007
7	Sanjay Bansal	260175	4.983
8	Siddharth Kedia	102300	1.959
9	Vandita Jain	253900	4.863
10	Vidit Jain	176200	3.375

(viii) Dematerialization of shares and liquidity

The Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to handle dematerialization of shares. As on March 31, 2025, a total of 51,01,950 equity shares which form 97.72% of the share capital stand dematerialized.

(ix) Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2025, as such instruments have not been issued in the past.

(x) Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

(xi) Green Initiative in Corporate Governance

As per the MCA Circular Nos. 17/2011 dated April 21, 2011 & 18/2011 dated April 29, 2011, Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving notices, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company. As a responsible citizen, your Company strongly urge our shareholders to support the Green Initiative by giving positive consent by registering/ updating your email addresses with your respective Depository Participants or the Registrar and Transfer Agents of the Company, **Niche Technologies Private Limited** for the purpose of receiving soft copies of various communications including the Annual Report.

(xii) Plant Location

- a. Bhavik Terryfab (A Unit of K G Petrochem Ltd.), Plot no. SP-4/3, RIICO Industrial Area, Village Keswana, Teh. Kotputli, Jaipur-303108 Rajasthan
- b. Mantika Hometex (A Unit of K G Petrochem Ltd.) C-171, Road No. 9J, VKI Area, Jaipur-302013 Rajasthan
- c. Ultra Polycoats (A Unit of K G Petrochem Ltd.), Plot no. SP-4/3A, RIICO Industrial Area, Village Keswana, Teh. Kotputli, Jaipur-303108 Rajasthan
- d. Anusha Texfab (A Unit of K G Petrochem Ltd.) Plot no. SP-3-5-B, RIICO Industrial Area, Village Keswana, Teh. Kotputli, Jaipur-303108 Rajasthan

(xiii) Corporate Identification Number (CIN)

The Company is registered with the Registrar of Companies, Jaipur, Rajasthan. The CIN allotted to the Company by the Ministry of Corporate Affairs is L24117RJ1980PLC001999.

(xiv) Address for correspondence

KG Petrochem Ltd

6th Floor, No.602, Monarch Building, Amrapali Marg, Hanuman Nagar, Vaishali Nagar, Jaipur-302021

Tel.: 0141-2331231

Fax: 0141-2332845

Email id: jproffice21@bhavik.biz

Website: www.kgpetrochem.com

Designated e-mail address for Investor Services: jproffice21@bhavik.biz

(xv) **Credit Rating**

Credit Rating of the company obtained from Care ratings as on 31st March 2025;

Facilities	Amount(₹ Crore)	Rating	Rating Action
Long term bank Facilities	22.99 (Reduced from 38.53)	CARE BBB-; Stable	Revised from CARE BBB; Stable
Long Term / Short Term Bank Facilities	83.25 (Enhanced from 73.25)	CARE BBB-; Stable / CARE A3	Revised from CARE BBB; Stable / CARE A3+
Short Term Bank facilities	15.75	CARE A3	Revised from CARE A3+
Total Facilities	121.99 (Rupees One Hundred Twenty-one Crore and Ninety-Nine Lakhs Only)		

IX. OTHER DISCLOSURES

Particulars	Statutes	Details	Website link for details/policy
Reconciliation of Share Capital Audit	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated December 31, 2002.	A Qualified Practicing Company Secretary carried out the Quarterly Reconciliation of Share Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) of the total issued and listed Equity Share Capital. The Report on Reconciliation of Share Capital confirms that the total issued/paid up capital of the Company admitted	

		with depositories is in agreement with the capital of the Company listed with the Stock Exchanges. Further none of the shares of the company are lying in suspense account as on March 31, 2025.	
Familiarization Programme:	Regulations 25(7) and 46 of SEBI Listing Regulations	Details of familiarization program imparted to Independent Directors are available on the Company's website.	www.kgpetrochem.com
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	<p>In terms of the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace.</p> <p>Company has formed an "Internal Complaints Committee" for prevention and redressal of sexual harassment at workplace. The Committee is having requisite members and is chaired by a senior woman member of the organization. Further, the Company has not received any complaint of sexual harassment during the financial year 2024-25. During the financial year 2024-25, no complaints have been received by the members of the committee. Hence, no complaint is pending at the end of the financial year.</p>	

Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business of the Company. There is no materially significant related party transaction made by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions of your Company had been ratified and confirmed by the Audit Committee and Board of Directors, as required under the Listing Regulations. The policy on related party transactions as approved by the Board is uploaded on the Company's website.	www.kgpetrochem.com
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three financial years.	Reg 34 and as per the SEBI circular no. <i>SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (Chapter-VII(A)- Penal Action for Non-Compliance)</i>	During the F.Y. 2023-24, Fine amount of ₹ 4720/- levied on the company pursuant to Regulation 34 of LODR on account of delay in submission of Disclosure Annual report. However Company has submitted reply on the same and fine was waived off from the end of BSE.	

	Reg. 23 (9) Submission of Disclosure on Related Party Transactions	During the F.Y. 2022-23, Fine amount of ₹ 5,900/- levied on the company pursuant to Regulation 23 (9) of LODR on account of delay in submission of Disclosure of Related Party Transaction. Here Company has made their submission dated 19/07/2022 and made the payment of ₹ 5,900/- in the favor of BSE Ltd. Through Banking Channels dated 12/08/2022.	
	Other than above during the last three years, there were no strictures or Penalties imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.		
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	www.kgpetrochem.com
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ul style="list-style-type: none"> • The Company's standalone financial statements for the financial year ended as on March 31, 2025 were not qualified. • The Company follows a robust process of communicating with the shareholders which has been mentioned in the report under "Means of Communication." • The Internal Auditor of the 	

		Company directly submits Internal Audit Report to the Audit Committee on quarterly basis.	
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2025. A certificate by the Chief Financial Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management forms part of this report.	www.kgpetrochem.com

Financial Statements/ Accounting Treatments:

In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

Details of fees paid by the company to its Statutory Auditors:

During financial year 2024-25 the company has paid following fees to its Statutory Auditors

Sr. No.	Particulars	Amount Paid in (₹)
1	Statutory Audit Fees	5,65,000/-

Apart from above nothing is paid by the company to the Statutory Auditors.

Certificate from Company Secretary in Practice:

The Company has received a certificate from M/s. ARMS & Associates LLP, Practicing Company Secretaries certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the financial year ending on March 31, 2025, which is annexed as **Annexure 2** at the end of this report

MD and CFO Certification:

The certificate required under Regulation 17 (8) of SEBI (LODR) Regulations, 2015 duly signed by MD and CFO was placed before the Board and the same is attached to this Report as **Annexure 3**.

Certificate of compliance of Corporate Governance:

The Company has obtained a certificate affirming the compliances of Corporate Governance from M/s Arms & Associates LLP, Practicing Company Secretaries, Jaipur and the same is attached to this Report as **Annexure 4**. During the year under review the company has raised funds through preferential allotment as specified under SEBI Regulations.

ANNEXURE 1

DECLARATION FOR THE COMPLIANCE WITH THE CODE OF CONDUCT

We, Manish Singhal, Managing Director and Prity Singhal, Whole Time Director cum Chief Financial Officer (KMP) of KG Petrochem Ltd, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company, applicable to them as laid down by the Board of Directors in terms of Schedule V of SEBI (LODR) Regulations, 2015, for the year ended March 31, 2025.

For **KG Petrochem Ltd**

**SD/-
Manish Singhal
(Managing Director)
DIN: 00120232**

**SD/
Prity Singhal
(Whole time director cum CFO)
DIN: 02664482**

Jaipur, August 13th, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
KG Petrochem Ltd
C-171, Road No. 9J, VKI Area, Jaipur-302013 Rajasthan

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KG Petrochem Ltd** having CIN L24117RJ1980PLC001999 and having registered office at C-171, Road No. 9J, VKI Area, Jaipur-302013 Rajasthan (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Date of appointment in Company
1.	Gauri Shanker Kandoi	00120330	05/09/1998
2.	Prity Singhal	02664482	21/09/2017
3.	Manish Singhal	00120232	29/07/2013
4.	Ajay Kumar Sharma	09404189	01/06/2022
5.	Vani Jain	08260267	21/06/2023
6.	Bridhi Chand Sharma	08370330	26/02/2019
7.	Anand Mishra	00288257	13/02/2021
8.	Vikas Damani	00385807	01/06/2022

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For ARMS & Associates LLP
Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025

SD/-
Lata Gyanmalani
Partner
FCS 10106 CP No.9774
UDIN: F010106G001016419

Jaipur, August 08, 2025

ANNEXURE 3
MD/CFO CERTIFICATION

Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

To
The Board of Directors
K G Petrochem Limited,
C-171, Road No. 9J, VKI Area, Jaipur-302013 Rajasthan

We, Manish Singhal, Managing Director and Prity Singhal, Whole Time Director cum Chief Financial Officer of the Company, to the best of knowledge and belief, certify that:

- A. We have reviewed Financial Statements (Balance Sheet, Statement of Profit & Loss and all the Schedules and Notes to Accounts) and the Cash Flow Statement and Board's Report for the financial year 2024-25 and based on our knowledge and belief and information:
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 and other information included in this annual report present a true and fair view of company's affair and are in compliance with current 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 financial year 2024-25 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;
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 any employee having a significant role in the company's internal control system over financial reporting.

For **KG Petrochem Ltd**

**SD/-
Manish Singhal
(Managing Director)
DIN: 00120232**

**SD/
Prity Singhal
(Whole time director cum CFO)
DIN: 02664482**

Jaipur, August 13th, 2025

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
K G Petrochem Limited
C-171, Road No. 9J, VKI Area, Jaipur-302013 Rajasthan

1. We have examined the compliance of conditions of Corporate Governance of KG Petrochem Limited (“the Company”) for the year ended on March 31, 2025 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as “SEBI Listing Regulations”].

Management’s Responsibility for compliance with the conditions of SEBI Listing Regulations

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.
5. We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India (“ICSI”).

Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2025
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For ARMS & Associates LLP
Company Secretaries
ICSI URN: P2011RJ023700
PR 6756/2025

SD/-
Lata Gyanmalani
Partner
FCS 10106 CP No.9774
UDIN: F010106G001016430

Jaipur, August 08, 2025

Independent Auditor's Report

To

The Members of

KG PETROCHEM LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **KG PETROCHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information which are incorporated in the financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 Companies Act, 2013 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, its Profits (including other comprehensive income), changes in equity and its Cash Flows for the year ended on that date.



Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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 opinion on Financials Statement.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.



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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

On the auditor's report date, we have nothing to report in this regard, as the Annual Report expected to be made available to us after the date of this auditor's report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and



presentation of the Financial Statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 Companies Act, 2013, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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.
 - 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, also refer to the matter as stated in the paragraph 2(h)(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.



- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanation given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No-45 to the financial statements.
 - ii. The Company has made provision as required under the applicable law or accounting standards for material foreseeable losses if any on long-term contracts including derivative contracts- Refer note 53 to the financial statements.
 - 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities



- ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- (vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

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 except the inventory management software through which the entity is maintaining its day-to-day stock records.



Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Place: Jaipur

Date: 28-05-2025

For H C Bothra & Associates

Chartered Accountants

FRN: 008950C



(Abhishek Jain)

Partner

UDIN: 25401501BMJKSH4464

Membership No.: 401501

**ANNEXURE-A REFERRED TO IN THE INDEPENDENT AUDITOR'S
REPORT ON THE ACCOUNTS OF KG PETROCHEM LIMITED FOR
THE YEAR ENDING 31 MARCH, 2025**

As required by the Companies (Auditor's report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The company has provided updated records for verification showing full particulars, including quantitative details and relevant details of Property, Plant and Equipment, Investment Property and right-of-use assets.

(B) The Company does not have any Intangible Asset and Hence reporting 3(i)(a)(B) of Order is not applicable.

(b) The Company has a program of physical verification of Property, Plant and Equipment, Investment property and right-of-use assets so to cover all the assets once in a year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. The document provided by the management contains all particulars. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of property tax receipts and lease agreement for land on which building is constructed, registered sales deed/ transfer deed/ conveyance deed provided to us, we report that the title in respect of self-constructed building and title deed of all other immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee), disclosed in the

financial statements are held in the name of the company as at balance sheet date.

- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year, hence reporting under clause 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory was physically verified by the management at regular intervals during the year. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. According to information and explanation given to us, all discrepancies have been rectified by the company.
- (b) Accordingly to the information and explanation given to us and on the basis of our examination of records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial statements are not in agreement with the books of account of the company. Details are as under (Amount in lakhs):

Quarter	Name of Bank	Item	As per Books	As per Stock Statement	Difference	Remarks
Apr 24 to June 24	SBI/HDFC/ AXIS	Raw Material	2,468.48	2,456.66	11.82	Reason is given in Notes to Accounts in Financial Statement
		WIP	2,791.46	2,762.44	29.02	
		Finished Goods	3,085.56	3,288.48	(202.92)	
		Total	8,345.50	8,507.58	(162.08)	

		Debtors	8,551.86	8,560.20	(8.34)	s.
Jul 24 to Sep 24	SBI/HDF C/ AXIS	Raw Material	3,261.17	3,253.52	7.65	Reason is given in Notes to Accounts in Financial Statement s.
		WIP	3,539.07	3,546.20	(7.13)	
		Finished Goods	2,898.65	2,481.14	417.51	
		Total	9,698.89	9,280.86	418.03	
		Debtors	7,250.15	7,251.27	(1.12)	
Oct 24- Dec 24	SBI/HDF C/ AXIS	Raw Material	4,319.69	4,320.40	(0.71)	Reason is given in Notes to Accounts in Financial Statement s.
		WIP	3,961.53	3,961.54	(0.01)	
		Finished Goods	2,148.40	2,148.35	0.05	
		Total	10,429.62	10,430.29	(0.67)	
		Debtors	8,999.80	8,999.79	0.01	
Jan 24 to Mar 25	SBI/HDF C/ AXIS	Raw Material	3,376.32	3,358.65	17.67	Reason is given in Notes to Accounts in Financial Statement s.
		WIP	3,748.41	3,736.41	12.00	
		Finished Goods	1,771.20	1,775.08	(3.88)	
		Total	8,895.93	8,870.14	25.79	
		Debtors	10,061.33	10,061.34	(0.01)	

- iii. The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, hence reporting under clause 3(iii) of the order is not applicable.
- iv. The Company has not granted any loan or provided any guarantee or security as specified under section 185 of the companies act 2013. No loans has been given and investments made by the company during the year as specified under section 186 of the companies act 2013.



- v. According to the information and explanation given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and rules made there under, to the extent applicable. Accordingly, reporting under clause 3(v) of the order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the period under review. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax duty of Excise, Value Added Tax, Cess and other material statutory in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:



Nature of Dispute	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
Civil Suit against the Company	13,75,622.00	FY 2009-10	Bombay High Court
Service Tax	23,00,456.00	FY 2014-15	Customs, Excise & Service Tax Appellate Tribunal (New Delhi)

viii. According to explanations and information 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. In respect of repayment of dues:

- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any bank, financial institution or any lender.
- According to the information and explanations given to us, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.
- According to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for

the purposes for which they were obtained.

- (d) According to the information and explanations given to us, on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The company do not have any subsidiaries, associates, joint ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable to the company.
- (f) The company do not have any subsidiaries, associates, joint ventures and hence, reporting under clause 3(ix)(f) of the Order is not applicable to the company.
- x. (a) The Company has not raised money(s) 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, partially or optionally convertible) and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no material fraud by the Company or fraud on the Company has been noticed or reported during the year.
- (b) As per the information and explanation given to us, No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there were no whistle blower complaints received by the company during the year and upto the date of

this report.

- xii. The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable on the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the company has an internal audit system in place but there is a substantial scope of improvement in terms coverage of reporting, monitoring of internal controls, review of operating effectiveness, risk management and governance.
- (b) We have considered, the internal audit reports for the year under the performance of our audit engagement, issued to the company during the year in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable on the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the current financial year covered by our audit and in the immediately preceding financial year. Hence reporting under clause (xvii) of the order is not applicable on the Company.



xviii. During the year, the statutory auditors of the company have resigned. In accordance with the provisions of Clause 3(xviii) of the Order, we have taken into consideration the issues, objections, or concerns raised by the outgoing auditors. Based on our review, nothing has come to our attention that causes us to believe that the resignation was due to any fraud, misstatement, or non-cooperation by the company.

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, 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 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. As the Company is not required to spent CSR activity as per regulatory requirement, therefore sub- clauses (a) and (b) of clause (xx) of para 3 are not applicable.



xxi. The requirement to report on clause 3(xxi) of the order is not applicable to the financial statements of the company.

Place: Jaipur

Date: 28-05-2025

For H C Bothra & Associates

Chartered Accountants

FRN: 008950C



A handwritten signature in blue ink, appearing to read "Abhishek Jain".

(Abhishek Jain)

Partner

UDIN: 25401501BMJKSH4464

Membership No.: 401501

**ANNEXURE - B REFERRED TO IN THE INDEPENDENT AUDITOR'S REPORT OF
EVEN DATE ON THE FINANCIAL STATEMENTS OF KG PETROCHEM LIMITED
FOR THE YEAR ENDING MARCH 31, 2025.**

**Report on the Internal Financial Controls 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 **KG PETROCHEM LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and 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") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013 to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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 the Company has in all material respects judging by the nature and quantum of transactions appearing in the financial statements an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Other Matter

Broadly, the Company is having most of the system in place as required for the compliance of Internal Financial Control over Financial Reporting. However, those systems or controls are having scope of further improvement. Based on our audit procedures, we are of the opinion that Company has rectified all material observations of our audit on internal financial controls over financial reporting to ensure that they do not significantly affect financial reporting on Internal Financial Control as on Balance Sheet date.

Place: Jaipur

Date: 28-05-2025

For H C Bothra & Associates

Chartered Accountants

FRN: 008950C



(Abhishek Jain)

Partner

Membership No.: 401501

UDIN: 25401501BMJKSH4464

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL STATEMENTS

To

The Board of Directors,

KG PETROCHEM LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Statement of **KG PETROCHEM LIMITED** ('The Company') for quarter ended 31st March, 2025 and the year to date results for the year from 1st April, 2024 to 31st March 2025, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statement;

- a. Is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. Give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") and the other accounting principles generally accepted in India, of the net profit and other financial information for the quarter ended and the year ended 31st March, 2025.

Basis of Opinion

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



Mobile Contact: +919414072574, +919828596309

Branch Offices: First Floor, GulabNiwas, M I Road, Jaipur - 302001
ManakBhawan Complex, Kotri Road, Gumanpura, Kota (Raj) - 324007

Management's Responsibility for the Standalone Financial Results

The statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to preparation of financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.



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

- Identify and assess the risks of material misstatement of the financial Statement, 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 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 through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls system with reference to financial statement 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 in the financial results made by Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial Statements, including the disclosures, and whether the financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain Sufficient and appropriate audit evidence regarding the financial information of the company to express an opinion on the statement.



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.

Other Matters

We report that the figures for the Quarter ended 31st March, 2025 represent the balancing figures between the audited figures in respect to the financial year ended 31st March, 2025 and the published unaudited quarterly figures up to 31st December, 2024, being the date of the end of third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our report on the statements is unmodified.

Place: Jaipur

Date: 28-05-2025

For H C Bothra & Associates

Chartered Accountants

FRN: 008950C



(Abhishek Jain)

Partner

UDIN: 25401501BMJKSG6486

Membership No.: 401501

KG PETROCHEM LIMITED
CIN: L24117RJ1980PLC001999
Registered Office: C-171, Road No. 9J, VKI Area, Jaipur-302013
E-mail: jproffice21@bhavik.biz / Phone : 91-141-2331231
BALANCE SHEET AS AT 31ST MARCH, 2025

(Amount in Lakhs)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	7	9,771.93	10,020.28
(b) Capital work-in-progress	8	-	-
(c) Right of use Assets	7A	4,357.42	4,415.88
(d) Financial Assets			
(i) Other Non-Current Financial Assets	9	272.73	272.26
(e) Other Non Current Assets	10	-	0.46
Current Assets			
(a) Inventories	11	8,895.83	7,359.44
(b) Financial Assets			
(i) Investments	12	19.65	-
(ii) Trade Receivables	13	10,170.76	10,449.86
(iii) Cash and Cash Equivalents	14	51.06	1.91
(iv) Other Bank Balances (other than (iii))	14A	9.06	17.30
(v) Others Current Financial Assets	15	590.78	584.74
(c) Current Tax Assets (Net)	16	-	11.99
(d) Other Current Assets	17	3,231.83	2,832.57
Total Assets		37,371.05	35,966.68
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	522.10	522.10
(b) Other Equity	19	17,631.19	17,072.00
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	374.45	1,204.14
(b) Deferred Tax Liabilities (Net)	21	272.40	336.52
(c) Other Non Current Liabilities	22	597.58	640.64
(d) Provisions	27	210.44	160.19
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	11,727.95	10,898.52
(ii) Trade Payables	24		
(a) Total Outstanding dues of Micro & Small Enterprises		547.56	694.85
(b) Total Outstanding dues of creditors other than Micro & Small Enterprises		3,846.44	3,150.30
(iii) Other Financial Liabilities	25	1,303.78	1,008.79
(b) Other Current Liabilities	26	178.78	148.09
(c) Provisions	27	127.71	130.54
(d) Current Tax Liabilities (Net)	28	30.68	-
Total Equity and Liabilities		37,371.05	35,966.68

Material accounting policies & Notes to Standalone Financial Statements

1 to 55

In terms of our separate Audit Report of even date
FOR H.C. Bothra & Associates
Chartered Accountants
FRN: 008950C

(Abhishek Jain)
Partner
M. No. 401501



Place : JAIPUR
Date: 28.05.2025

UDIN:- 25401501BMJKSH4464

For & on behalf of the Board of Directors
OF KG PETROCHEM LIMITED

(G. S. KANDOI)
Chairman Cum Wholtime Director
DIN: 00120330

(PRITY SINGHAL)
Wholtime Director cum CFO
DIN: 02664482

(MANISH SINGHAL)
Managing Director
DIN: 00120232

(NAVITA KHUNTETA)
Company Secretary
M.No. A35214

KG PETROCHEM LIMITED

CIN: L24117RJ1980PLC001999

Registered Office: C-171, Road No. 9J, VKI Area, Jaipur-302013

E-mail: jproffice21@bhavik.biz / Phone : 91-141-2331231

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(Amount in Lakhs)

Particulars	Note No.	For the Year ended 31st March,2025	For the Year ended 31st March,2024
I Revenue From Operations	29	37,538.82	33,080.32
II Other Income	30	403.64	471.13
III Total Income (I+II)		37,942.46	33,551.46
IV EXPENSES			
Cost of Material Consumed	31	20,397.83	17,615.88
Changes in inventory of finished goods	32	(807.47)	408.50
Manufacturing expense	33	9,138.64	7,918.03
Employee benefits expense	34	3,944.46	3,130.08
Finance costs	35	873.03	792.78
Depreciation and amortization expense	7	1,350.53	1,202.26
Other expenses	36	2,333.11	2,195.66
Total expenses (IV)		37,230.14	33,263.18
V Profit/(loss) before exceptional items and tax (III- IV)		712.32	288.27
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		712.32	288.27
VIII Tax expense:			
(1) Current tax		240.00	70.00
(2) Tax of earlier year	37	(11.55)	31.44
(3) Deferred tax		(66.93)	93.39
IX Profit (Loss) for the period from continuing operations (VII-VIII)		550.81	93.44
X Profit/(loss) for the period		550.81	93.44
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	319.33
a) Remeasurement gain/(loss) of the defined benefit plan		11.20	25.45
XI (b) Income tax relating to items that will not be reclassified to profit or loss		2.82	6.41
(ii) Items that will be reclassified to profit or loss		-	-
(a) Income tax relating to items that will be reclassified to profit or loss		-	-
XII Total Comprehensive Income for the period (X+XI)(Comprising Profit(Loss) and Other Comprehensive Income for the period)		559.19	431.82
Earnings per equity share (After exceptional items)			
XIII Basic	50	10.55	1.79
Diluted		10.55	1.79

Material accounting policies & Notes to Standalone Financial Statements

1 to 55

In terms of our separate Audit Report of even date

FOR H.C. Bothra & Associates

Chartered Accountants

FRN: 008950C

For & on behalf of the Board of Directors

OF KG PETROCHEM LIMITED

(Abhishek Jain)

Partner

M. No. 401501



(G. S. KANDOI)

Chairman Cum Wholtime Director

DIN: 00120330

(PRITY SINGHAL)

Wholtime Director cum CFO

DIN: 02664482

(MANISH SINGHAL)

Managing Director

DIN: 00120232

(NAVITA KHUNTETA)

Company Secretary

M.No. A35214

Place : JAIPUR

Date: 28.05.2025

UDIN: 25401501BMJKSH4464

KG PETROCHEM LIMITED
CIN: L24117RJ1980PLC001999
Registered Office: C-171, Road No. 9J, VKI Area, Jaipur-302013
E-mail: jproffice21@bhavik.biz / Phone : 91-141-2331231
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

1. Current Reporting Period

(Amount in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
522.10		-		522.10

2. Previous Reporting Period

(Amount in Lakhs)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
522.10		-		522.10

B. Other Equity

(Amount in Lakhs)

Particulars	Reserves and Surplus		other comprehensive income			Total
	General Reserve	Retained Earnings	Revaluation Reserve	Equity Instruments through Other Comprehensive Income	Share Forfeiture	
Balance as at April 1, 2023	269.36	12,027.39	4,265.87	18.14	59.43	16,640.19
Profit for the year	-	93.44				93.44
Addition during the year	48.58		319.33	19.05		386.96
Transferred during the year			(48.58)			(48.58)
Balance as at March 31, 2024	317.94	12,120.83	4,536.62	37.19	59.43	17,072.00
Balance as at 1st April, 2024	317.94	12,120.83	4,536.62	37.19	59.43	17,072.00
Profit for the year		550.81				550.81
Addition during the year	48.58		-	8.38		56.96
Transferred during the year			(48.58)			(48.58)
Balance as at March 31, 2025	366.52	12,671.64	4,488.04	45.57	59.43	17,631.19

Material accounting policies & Notes to Standalone Financial Statements

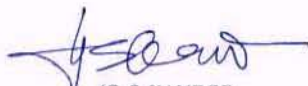
In terms of our separate Audit Report of even date
FOR H.C. Bothra & Associates
Chartered Accountants
FRN: 008950C

(Abhishek Jain)
Partner
M. No. 401501



Place : JAIPUR
Date: 28.05.2025

For & on behalf of the Board of Directors
OF KG PETROCHEM LIMITED


(G. S. KANDOTI)
Chairman Cum Wholtime Director
DIN: 00120330


(PRITY SINGHAL)
Wholtime Director cum CFO
DIN: 02664482


(MANISH SINGHAL)
Managing Director
DIN: 00120232


(NAVITA KHUNTETA)
Company Secretary
M.No. A35214

PARTICULARS	For the Year ended 31st March,2025		For the Year ended 31st March,2024	
	AMOUNT		AMOUNT	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before exceptional item and tax as Statement Profit & Loss (Increase in Reserves)	712.32		288.27	
Adjusted for :-				
Transfer from Reserves	-		-	
Finance Cost	873.03		792.78	
Interest received	(63.49)		(60.23)	
Remeasurement gain/(loss) of the defined benefit plan	11.20		25.45	
Loss/(Profit) on Sale\ written off of Fixed Assets	(12.82)		-	
Depreciation	1,350.53		1,202.26	
Operating Profit before Working Capital Changes	2,870.78		2,248.53	
Adjusted for:-				
Increase /(Decrease) in Trade Payables	548.85		(715.71)	
Increase /(Decrease) in Borrowings	829.42		535.08	
Increase /(Decrease) in Other financial liabilities	294.99		108.49	
Increase /(Decrease) in Other current liabilities	30.70		(44.54)	
Increase /(Decrease) in Other Non-current liabilities	7.18		(30.05)	
Increase /(Decrease) in Provisions (except IT)	(2.83)		(73.90)	
(Increase)/Decrease in Investments	(19.65)		-	
(Increase)/Decrease in Inventory	(1536.39)		573.66	
(Increase)/Decrease in Trade receivables	279.10		(250.99)	
(Increase)/Decrease in Others current financial assets	2.20		(45.68)	
(Increase)/Decrease in Other current assets	(399.27)		(67.78)	
(Increase) / Decrease in Non current Financial Assets	(0.47)		2.16	
(Increase) / Decrease in Non current Assets	0.46		1.18	
Cash Generated From Operations	2,905.07		2,240.46	
Net Cash used in Operating Activities Before Extraordinary Items	2,905.07		2,240.46	
Cash Generated From Operations	2,905.07		2,240.46	
Less:- Taxes (Paid)/Excess Paid	(185.78)		123.72	
Net Cash Flow/(used)From Operating Activities		2,719.29		2,364.18
B) CASH FLOW FROM INVESTING ACTIVITIES				
(Increase) / Decrease in Long Term Loans & Advances				
Purchase of Fixed Assets	(1,046.75)		(649.51)	
(Increase)/decrease to CWIP	-		(201.56)	
Proceeds From Sales/ written off of Fixed Assets	15.84		-	
Interest received	63.49		60.23	
Net Cash Flow/(used) in Investing Activities		(967.42)		(790.84)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Procurement of Borrowings			-	
Repayment of Borrowings	(829.69)		(834.10)	
Capital Subsidy under TUF				
Interest paid	(873.03)		(792.78)	
Net Cash Flow/(used) From Financing Activities		(1,702.72)		(1,626.88)
Net Increase/(Decrease) in Cash and Cash Equivalent		49.15		(53.54)
Opening balance of Cash and Cash Equivalent		1.91		55.45
Closing balance of Cash and Cash Equivalent		51.06		1.91

Notes:

1 Cash and Cash Equivalent consists of following:-

	Rs.	Rs.
Cash on hand	8.99	1.30
Balances with Banks	42.07	0.61
Closing balance of Cash and Cash Equivalent	<u>51.06</u>	<u>1.91</u>

2 Cash Flow has been prepared under indirect method as set out in IND AS-7

3 Previous Year's figures have been recasted/ regrouped, wherever necessary, to confirm to the Current Year's

4 Changes in liabilities arising from financing activities

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Current	Non Current (including current maturities)	Current	Non Current (including current maturities)
Opening Balance	10,898.52	2,201.83	5,835.50	6,964.79
Cash Flows (Net)	829.42	(997.89)	5,063.02	(4,762.96)
Foreign Exchange Difference	-	-	-	-
Closing Balance	11,727.95	1,203.93	10,898.52	2,201.83

Material accounting policies & Notes to Standalone Financial Statements

In terms of our separate Audit Report of even date

FOR H.C. Bothra & Associates

Chartered Accountants

FRN: 008950C

(Abhishek Jain)
Partner
M.No. 401501

For & on behalf of the Board of Directors

OF KG PETROCHEM LIMITED

(G. S. KANDOI)
Chairman Cum Wholtime Director
DIN: 00120330

(PRITY SINGHAL)
Wholtime Director cum CFO
DIN: 02664482

(MANISH SINGHAL)
Managing Director
DIN: 00120232

(NAVITA KHUNTETA)
Company Secretary
M.No. A35214

Place : JAIPUR

Date: 28.05.2025

Notes Forming Part of Financials

1 COMPANY OVERVIEW

KG Petrochem Limited is a listed company which was incorporated as a Private Limited Company on 29.2.1980 under Companies Act, 1956. The name of the company changed to KG Petrochem Limited as per fresh Certificate of Incorporation dated 24.8.1995 issued by Registrar of Companies, Rajasthan, Jaipur. The registered office of the Company is located at C-171, ROAD NO.9J, V.K.I.AREA, JAIPUR RJ 302013.

Presently the Company is engaged in the business of manufacturing and services as under:-

- (i) Textile Division (Consist units named Bhavik Terryfab & Mantika Hometex) :-Manufacturing and marketing of terry towels, made-ups, readymade garment like bathrobes, babyhood towels, pillows etc. in the domestic and international market.
- (ii) Agency Division : Consignment Stockiest of GAIL (India) Ltd. for marketing and distribution of polymers in Rajasthan and
- (iii) Technical Textile Division (Consist Unit named Ultra Polycoats & Anusha Techfab) : Manufacturing & trading of artificial leather.

MATERIAL ACCOUNTING POLICIES, ASSUMPTIONS AND NOTES

2 BASIS OF PREPARATION

- 2.1 Ministry of corporate affairs has notified roadmap to implement IND AS notified under Companies (Indian Accounting Standard) Rules 2015 as amended by the Companies (Indian Accounting Standard) Rules 2016 and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (IND AS compliant Schedule III), to the extent applicable. According to the said roadmap the company is required to apply IND AS in preparation of financial statement from the financial year beginning from 1st April 2017.
- 2.2 The significant accounting policies used in preparing the financial statements are set out in Notes to the Standalone Financial Statements.
- 2.3 The preparation of the financial statements requires management to make estimates, judgements and assumptions. Actual results could vary from these estimates. The estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Notes on critical accounting estimates, assumptions and judgements). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

3 STATEMENT OF COMPLIANCE

The financial statements comprising of the Balance Sheet, Statement of Profit and Loss, Statement of changes in equity, Statement of Cash Flow together with notes comprising a summary of Significant Accounting Policies and Other Explanatory Information for the year ended 31st March 2025 and comparative information in respect of the preceding period have been prepared on going concern basis following accrual basis of accounting and complying with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the companies Act, 2013 (to the extent applicable).

4 ACCOUNTING POLICIES

4.1 Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- a Financial assets and liabilities except for those carried at amortised cost
- b Assets held for sale - measured at carrying amount or fair value less cost of disposal, whichever is less
- c Defined benefit plans - Plan assets measured at fair value

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

4.2 Current versus non-current classification of Assets and Liabilities

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

The company has presented current or non-current classification of asset and liabilities as per Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to Companies Act, 2013.



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,
- (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,
- (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.

Deferred tax assets/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

4.3 Inventories

a Finished goods:

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a portion of manufacturing overhead based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Finished Goods are measured at average cost.

b WIP and Stores & Spares:

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on FIFO basis. Cost of Work in Progress is measured at Weighted average Basis.

Capital spares that qualifies the criteria of property, plant and equipment are recognised as PPE. Accordingly the company has capitalized spares having useful life of more than 12 months and corresponding depreciation is charged on them.

4.4 Statement of cash flows

Cash flows are reported using the method as prescribed in IND AS 7 'Statement of Cash flows', where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financial cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

4.5 Prior period Errors

- a Prior period errors include omissions and misstatements arising from a failure to use reliable information that was available or could have been obtained when financial statements for those periods were approved for issue.
- b Prior period errors relating to the last comparative period will be shown by restating the comparative figures of Balance sheet and Profit and loss, wherever necessary. Thus, it will be disclosed in the comparative financial statements as if the error had not even occurred.
And if the error relates to earlier financial years (FY 21-22 or before), then it will be adjusted from the asset/liability and retained earnings of the last comparative period shown (FY 22-23).

4.6 Revenue recognition and other income

a Revenue on sale of products

- The Company recognise revenues on accrual basis and measured it at the fair value of the consideration received or receivable, net of discounts, volume rebates, GST.
- Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.
- Export sale has been recognised at the time of removal of goods from factory at invoice value (whether FOB or CIF) on the basis of exchange rates declared by Custom Department for that particular month. However, the Invoices booked in the end of the current financial year and are custom cleared in next financial year, then in that case such export is considered in next financial year on the basis of the LEO date.



- No significant financing component exists in the sales.
- Other operating revenue - Export incentives under various schemes are accounted in the year of export at estimated realisable value.
- GST Returns Includes Sales by Agency Division of the company as a consignment stockist to customers and stock transfer from GAIL/BCPL, while commission income is reflected in the financial statements as per the accounting policy.

Other income

a Interest

- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b Dividend

Dividend income is recognized when the right to receive dividend is established.

4.7 Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory and recognised in the statement of profit and loss on consumption.

Initial recognition: The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

An item of Property, plant and equipment recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, plant and equipment are initially recognised at cost. Subsequently measurement is done at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any. Lease hold land is carried at Revaluation Model.

The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

Subsequent expenses and recognition: Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to profit and loss account for the period in which such expense are incurred.

Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any. Lease hold land is carried out at Revaluation Model.

De-Recognition: Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal.

The gain or loss arising on the de-recognition or disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

PPE costing up to Rs 5,000 each are fully depreciated in the year of purchase/installation.

Depreciation/amortisation: Property, Plant and Equipments is depreciated on Straight Line Method in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on the the property, plant and equipment added / disposed off / discarded during the year has been provided on pro rata basis with reference to the date of addition / disposition / discarding.



Useful life considered for calculation of depreciation for various assets class are as follows:

Asset Class	Useful Life
Staff & Labour Quarters	60 years
Factory building	30 years
Plant & Machinery	15 years
Weighing Scale	15 years
Misc. Asset	15 years
Lab Equipment	10 years
Elec & Water Fitting	10 years
DG Set	15 years
Weighbridge	15 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipement	5 years
Computer	3 years
IT Equipments	6 years
Office Building	60 years
Canteen Appliances	5 years
Stores & Spares	3 years

Leasehold Improvements are depreciated over the remaining lease period.

Based on independent technical evaluation, the useful life of E.T.P is estimated shorter than prescribed in Schedule II of Companies Act, 2013, which is as under:

Name of Assets	Life Taken
Other Machinery in ETP/Water Tank	5 years

Gain/loss on disposal: The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

Component accounting: When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major components) and are depreciated over the useful life respectively.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-progress.

Capital work in progress

The expenses relating to the construction of building is capitalised at the time when they are incurred and when the asset would be completed and ready to use, the same shall be transferred to asset a/c.

In case of Plant and Machinery, the amount of CWIP shall be transferred to asset a/ c at the time when the plant would be used for production. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

4.8 Leases

On March 30, 2019, ministry of corporate affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is using the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and took the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). The Company as elected certain available practical expedients on transition.

The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets

The Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company apply a single recognition and measurement approach for all leases. The Company recognise right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term. The right-of-use assets are also subject to impairment.



4.9 Foreign Currency Transaction

- a. Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of transaction.
- b. Monetary items denominated in foreign currency at the reporting date and not covered by forward exchange contracts are translated at the year end spot rates and those covered by forward contracts are restated at each reporting date by using forward rate for remaining period prevailing on the reporting date and exchange rate difference was booked. The Exchange rate difference on Forward Contract was charged to Statement of Profit & Loss, since Fair Value Model has been adopted by the Company.
- c. Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

4.10 Government Grants

Government grants related to assets are presented in balance sheet by setting up the grant as deferred income under Non Current Liability and the same is recognised in statement of profit and loss on a systematic basis.

Government grant related to revenue is deducted in reporting the related expenses. During the year the Company has received interest subsidy under TUF Scheme, Customized Package Scheme and Interest Subvention which is deducted from expenses. ROSCTL, RODTEP & Duty Drawback (Other Export Incentive) recognised on accrual basis.

4.11 Retirement & Employee benefits

a. Short - term Employee Benefits:-

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related services

The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability after deducting any amount already paid.

b. Long-term Employee Benefits:-

Long-term employee benefits Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

c. Post-employment Benefits:-

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

(a) **Defined Contribution Plan:** Contribution to superannuation fund is recognised as an expense in the Statement of Profit & Loss as it is incurred. There are no other obligations other than the contribution payable to the respective trust. Eligible employees receive benefits from a provident fund which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

(b) **Defined Benefit plan:** The cost of providing Gratuity, a Defined Benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by an independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss. Moreover all the gratuity liabilities of the company are covered under LIC Gratuity Scheme. Other long term benefits in the form of leave encashment is provided based on the percentages notified by Government guidelines.

4.12 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

4.13 Earnings per share

- Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.
- Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.



4.14 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 exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. Any impairment gain / loss is transferred to statement of profit and loss. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss.

4.15 Provisions and contingencies

a Provisions

- Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and 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 reporting date and are adjusted to reflect the current best estimate.

b Contingencies

- 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 liabilities is disclosed in the Notes to the Financial Statements.
- Contingent assets are not recognised in the books of the accounts but are disclosed in Board Report. 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 and the corresponding income is booked in the Statement of Profit and Loss.

4.16 Taxation

- Income tax expense represents the sum of Current Tax and Deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.
- Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the Income Tax Act 1961. Current tax assets and current tax liabilities are off set and presented as net.
- Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

4.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank, deposits held at call with banks, Fixed Deposits.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, having original maturity less than 3 months

4.18 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.

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

a Financial Assets

- Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on the judgment of the management for managing those financial assets and the assets' contractual cash flow characteristics.
- Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes, financial assets are assessed individually.



De-recognition of financial Asset

A financial asset is primarily derecognised (i.e. removed from the balance sheet) when:

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

Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

Trade receivables:

- A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less expected credit loss if any.
- Impairment is made for the expected credit losses. The estimated impairment losses are presented as a deduction from the value of trade receivables and the impairment losses are recognised in the Statement of Profit and Loss under "Other expenses".
- Subsequent changes in assessment of impairment are recognised in ECL and the change in impairment losses are recognised in the Statement of Profit and Loss under "Other Expenses".
- Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Profit and Loss under "Other Expenses".
- Subsequent recoveries of amounts previously written off are credited to "Other Income".

b Financial liabilities

At initial recognition, all financial liabilities other than those valued at fair value through profit and loss are recognised at fair value less transaction costs that are directly related to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss.

Financial liabilities measured at amortised cost

After initial recognition, interest free Security Deposits and other financial liabilities are valued at Amortised cost using Effective Interest Rate method (EIR Method). The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as "Other Income" or "Finance Expense".



Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statement of Profit and Loss. On classification as held for sale the assets are no longer depreciated.

The Company identifies primary segments based on nature of products and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the managing board in deciding how to allocate resources and in assessing performance.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectation of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events that existed as at the reporting date, or that which occurred after the date but provide additional evidence about the conditions existing at the reporting date.

- Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

- Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities.

- The Company 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 significant adjustment to the amounts reported in the standalone financial statements.

- Management judgement is required for estimating the possible outflow of resources, 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.

- Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

- Actuarial valuation for gratuity, liability of the Company has been done by actuary on the basis of data provided by the management and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

- Only those capital spares whose have a useful life of more than one year and their cost exceeds Rs. 5,000 have been considered for the purpose of capitalization under property, plant & equipment in the books of account. Further, all such spares are assumed to have a useful life of 36 months.

- For majority of the security deposits received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the financial statements.



6 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Last pronouncement has been announced on March 31, 2023 which are as follows, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements:

- The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes:

- The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

- The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



NOTE NO. 7 :- Property, Plant & Equipments

NOTE NO. 7 :- Property, Plant & Equipment												
		GROSS BLOCK			DEPRECIATION			NET BLOCK			(Amount in Lakhs)	
S.No.	Description	Opening Balance as on 01.04.2024	Purchases/ Additions during the Year	Sales/ Adjustments during the Year	Total Cost as at 31.03.2025	Up to 31.03.2024	for the Period	Written Back	Reversed	Up to 31.03.2025	As at 31.03.2025	As at 31.03.2024
TANGIBLE ASSETS:-												
1	Factory Building	4,450.30	120.99	-	4,571.30	1,140.23	137.51	-	-	1,277.74	3,293.57	3,310.08
2	Staff & Labour Quarters	54.07	-	-	54.07	10.22	0.87	-	-	11.09	42.98	43.85
3	Plant & Machinery	20,035.88	177.76	34.01	20,179.63	14,513.12	605.56	-	32.31	15,086.36	5,093.27	5,522.77
4	Weighing Scale	11.96	-	-	11.96	4.68	0.71	-	-	5.39	6.57	7.28
5	Misc. Fixed Assets	274.04	-	-	274.04	238.14	7.73	-	-	245.87	28.17	35.91
6	Lab Equipment	52.09	-	-	52.09	35.80	3.28	-	-	39.07	13.02	16.29
7	Elect. & Water Fitting	473.44	1.43	-	474.87	401.64	23.54	-	-	425.18	49.69	71.80
8	DG Set	50.94	-	-	50.94	31.80	2.12	-	-	33.92	17.03	19.14
9	Weighbridge	12.49	-	-	12.49	10.16	0.43	-	-	10.58	1.92	2.34
10	Furniture & Fixtures	275.55	6.66	-	282.21	157.34	18.79	-	-	176.13	106.08	118.21
11	Vehicles	210.86	19.52	9.91	220.47	139.65	19.42	-	8.83	150.25	70.22	71.20
12	Office Equipment	92.93	2.77	-	95.70	70.26	6.90	-	-	77.17	18.53	22.67
13	Computer	96.23	5.37	-	101.59	82.27	7.72	-	-	89.99	11.60	13.95
14	IT Equipments	12.95	-	-	12.95	12.30	-	-	-	12.30	0.65	0.65
15	Office Building	8.21	-	-	8.21	2.42	0.13	-	-	2.55	5.66	5.79
16	Canteen Appliances	1.39	-	-	1.39	1.30	-	-	-	1.30	0.09	0.09
17	A.C. Equipments	1.21	-	-	1.21	1.10	-	-	-	1.10	0.11	0.11
18	Stores & Spares	2,406.06	712.24	4.37	3,113.93	1,647.90	457.38	-	4.12	2,101.16	1,012.77	758.15
TOTAL		28,520.61	1,046.75	48.29	29,519.05	18,500.33	1,292.08	-	45.26	19,747.15	9,771.93	10,020.28
PREVIOUS YEAR		26,883.73	1,636.88	-	28,520.61	17,353.18	1,147.14	-	-	18,500.33	10,020.28	9,530.54

NOTE NO. 7A :- Right of use Assets

NOTE NO. 7A :- Right of use Assets												(Amount in Lakhs)	
		GROSS BLOCK			DEPRECIATION			NET BLOCK					
S.No.	Description	Opening Balance as on 01.04.2024	Purchases/ Additions during the Year	Sales/ Adjustments during the Year	Total Cost as at 31.03.2025	Up to 31.03.2024	for the Period	Written Back	Reversed	Up to 31.03.2025	As at 31.03.2025	As at 31.03.2024	
1	TANGIBLE ASSETS : Right of Use Assets -Land - Leasehold	4,721.23	-	-	4,721.23	305.35	58.45	-	-	363.81	4,357.42	4,415.88	
	TOTAL	4,721.23	-	-	4,721.23	305.35	58.45	-	-	362.81	4,357.42	4,415.88	
PREVIOUS YEAR		4,401.90	319.33	-	4,721.23	250.23	55.12	-	-	304.35	4,415.87	4,151.66	

(Amount in Lakhs)

(Amount in Lakhs)



7.1 :- Details of Benami Property - NIL

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 the Rules made thereunder.

7.2 :- The Title Deeds of Immovable Property are in the name of the Company:

7.3 :- No Intangible Assets are held by the Company:

7.4 :- Refer Accounting Policy Note No.4.7

8 :- CAPITAL WORK IN PROGRESS

DESCRIPTION OF ASSETS	As at 01.04.2024	Additions Expenses	Additions Others	Capitalized during the year	(Amount in Lakhs) As at 31.03.2025
Capital Work in Progress BHAVIK	-	-	-	-	-
Capital Work in Progress ULTRA	-	-	-	-	-
Capital Work in Progress ANUSHA	-	-	-	-	-
Total	-	-	-	-	-

8.1 :- CWIP Ageing Schedule as at 31.03.2025

8.1 :- CWIP Ageing Schedule as at 31.03.2025					(Amount in Lakhs)
CWIP	Amount in CWIP for a period of			Total	
	Less than 1 year	1-2 years	More than 3 years		
Projects in progress	-	-	-	-	
Projects temporarily suspended	-	-	-	-	

8.2 :- CWIP Ageing Schedule as at 31.03.2024

8.2 :- CWIP Ageing Schedule as at 31.03.2024					(Amount in Lakhs)
CWIP	Amount in CWIP for a period of			Total	
	Less than 1 year	1-2 years	More than 3 years		
Projects in progress	-	-	-	-	
Projects temporarily suspended					



9 Other Non-Current Financial Assets

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Security Deposits	272.73	272.26	
TOTAL	272.73	272.26	

10 Other Non-current Assets

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Unamortized Transaction fees	-	0.46	
TOTAL	-	0.46	

11 Inventories

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Raw Material	2,248.11	1,426.93	
Work In process	3,748.34	2,278.04	
Finished Goods			
Towel/Artificial Leather	1,765.47	2,463.00	
Waste	5.70	3.05	
Stores, Spares and Consumables	910.59	982.12	
Dyes & Chemicals	180.14	175.22	
Packing Material	37.48	31.08	
TOTAL	8,895.83	7,389.44	

(Refer Note 4.3 of accounting policy for valuation policy of inventories)

12 Investments

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Investments	19.65	-	
TOTAL	19.65	-	

13 Trade Receivables

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Trade Receivables	10,370.76	10,449.86	
Receivables from Related Parties	-	-	
Less: Allowance for doubtful trade receivables	200.00	-	
Total Receivables	10,170.76	10,449.86	
Current portion	10,170.76	10,449.86	
Non-current portion	-	-	
Breakup of Security Details			
Secured, considered good	-	-	
Unsecured, considered good	9,970.76	10,449.86	
Doubtful	200.00	-	
Total	10,170.76	10,449.86	
Allowance for Doubtful Trade Receivables	-	-	
Total Trade Receivables	10,170.76	10,449.86	

Trade Receivables ageing schedule :-

(Amount in Lakhs)							
Particulars	Not due	Outstanding for the year ended 31.03.2025 from the due date of payment					Total
		Less than 6 months	6months- 1year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	7,943.02	1,424.05	49.38	217.19	203.74	342.36	10,179.74
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	191.02	191.02
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	7,943.02	1,424.05	49.38	217.19	203.74	533.38	10,370.76

(Amount in Lakhs)							
Particulars	Not due	Outstanding for the year ended 31.03.2024 from the due date of payment					Total
		Less than 6 months	6months- 1year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,141.59	2,906.33	223.60	1,566.59	289.44	131.29	10,258.84
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	7.01	184.01	191.02
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	5,141.59	2,906.33	223.60	1,566.59	296.45	315.30	10,449.86



14 Cash and Cash Equivalents

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Bank Balances	42.07	0.61	
Cash on Hand	8.99	1.30	
TOTAL	51.06	1.91	

14A Other Bank Balances

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
In Bank Deposits Accounts (Remaining Maturity of Less than 12 Months)	9.06	17.30	
TOTAL	9.06	17.30	

* FDR to the extent of Rs.9,06,000/- is held as margin money or security against the Letter of Credit.

15 Others Current Financial Assets

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Incentives receivable (Export)	574.13	573.67	
Accrued Interest	16.64	11.07	
TOTAL	590.78	584.74	

16 Current Tax Asset (Net)

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Advance Tax	-	81.99	
Less: Provision for Tax	-	(70.00)	
TOTAL	-	11.99	

17 Other Current Assets

(Amount in Lakhs)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	
Advances Given	328.03	150.44	
Prepaid Expenses	26.59	43.47	
Income Tax Refundable	23.05	20.21	
CSR Excess Spent	5.23	-	
GST & Excise & Service Tax Receivable	2,783.86	2,542.95	
Excise & Service Tax (Under Protest)	0.78	0.78	
Interest Receivable Under TUF Scheme	47.78	47.78	
Interest Subsidy Under Customized Package	16.51	26.01	
Unamortized Loan Processing Fees	-	0.92	
TOTAL	3,231.83	2,832.57	

17.1 Loans or advances to Specified Persons

The company have not provided any amount in respect of loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties (all of these to be identified as defined under Companies Act, 2013).

The Company has not provided any loan, guarantee and security covered under section 186 and accordingly, the disclosure requirement to that extent does not apply to the company.



(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Share Capital		
Authorised:		
70,00,000 (70,00,000) Equity Shares of Rs.10/- each	700.00	700.00
Issued & Subscribed		
63,35,200 (63,35,200) Equity shares of Rs.10 each/-	633.52	633.52
Fully Paid Up		
52,21,000 (52,21,000) Equity Shares of Rs.10/-each fully paid	522.10	522.10
TOTAL	522.10	522.10

* During the financial year 2024-25, the Company has regrouped the amount previously classified as Share Forfeiture under share capital and reclassified it within Other Equity. This regrouping has been made to better reflect the nature and presentation of reserves in accordance with applicable Indian accounting standards and regulatory requirements. The regrouping does not impact the total equity or profit for the year.

(a) Rights, Preferences and restrictions attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 each. Holder of equity shares is entitled to one vote per share and Dividend as and when declared by the Company.

In case of partly paid up share the shareholder shall be entitled to dividend only on the paid up share capital.

In case any shareholder makes any default in payment of any call he shall not be entitled to vote in annual general meeting.

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.

(b) Reconciliation of the number of shares outstanding :-

Particulars	As at 31st March, 2025	As at 31st March, 2024
	No. of Shares	No. of Shares
At the beginning of the year	5,221,000	5,221,000
Add: Issued during the year	-	-
Less: Bought Back during the year	-	-
At the end of the year	5,221,000	5,221,000

(c) Shares held by each shareholder holding more than 5% of number of shares:

Name of Shareholder	As at 31st March, 2025	
	No. of Shares held	% of holding
Mr. Manish Singhal	1,444,687	27.67%
Mr. Gauri Shanker Kandoi	1,428,798	27.37%
Mrs. Savitri Kandoi	420,500	8.05%
M/s. Manish Singhal-HUF	340,000	6.51%
Mrs. Prity Singhal	264,049	5.06%
Name of Shareholder	As at 31st March, 2024	
	No. of Shares held	% of holding
Mr. Manish Singhal	1,444,687	27.67%
Mr. Gauri Shanker Kandoi	1,428,798	27.37%
Mrs. Savitri Kandoi	420,500	8.05%
M/s. Manish Singhal-HUF	340,000	6.51%
Mrs. Prity Singhal	264,049	5.06%

(d) Details of Promoter's Shareholdings

Disclosure of Shareholding of promoters as at 31.03.2025 is as follows:

Disclosure of Shareholding of promoters as at 31.03.2025 is as follows:

Shares held by the promoters at the end of the year						% Change during the Year
S.No	Promoter Name	As at March 31, 2025		As at March 31, 2024		
		No. of shares	% of Total shares	No. of shares	% of Total shares	
1	Mr. Manish Singhal	1,444,687	27.67%	1,444,687	27.67%	0.00%
2	Mr. Gauri Shanker Kandoi	1,428,798	27.37%	1,428,798	27.37%	0.00%
3	Mrs. Savitri Kandoi	420,500	8.05%	420,500	8.05%	0.00%
4	M/s. Manish Singhal-HUF	340,000	6.51%	340,000	6.51%	0.00%
5	Mrs. Prity Singhal	264,049	5.06%	264,049	5.06%	0.00%

Disclosure of Shareholding of promoters as at 31.03.2024 is as follows:

Disclosure of Shareholding of promoters as at 31.03.2024 is as follows:

Shares held by the promoters at the end of the year						% Change during the Year
S.No	Promoter Name	As at March 31, 2024		As at March 31, 2023		
		No. of shares	% of Total shares	No. of shares	% of Total shares	
1	Mr. Manish Singhal	1,444,687	27.67%	1,444,687	27.67%	0.00%
2	Mr. Gauri Shanker Kandoi	1,428,798	27.37%	1,428,798	27.37%	0.00%
3	Mrs. Savitri Kandoi	420,500	8.05%	420,500	8.05%	0.00%
4	M/s. Manish Singhal-HUF	340,000	6.51%	340,000	6.51%	0.00%
5	Mrs. Prity Singhal	264,049	5.06%	264,049	5.06%	0.00%



19 Other Equity

(Amount in Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Reserves and Surplus		
1. Revaluation Reserve		
At the beginning of the year	4,536.62	4,265.87
Add: Additions during the year	-	319.33
Less: withdrawals/transfer	48.58	48.58
Balance at the year end	4,488.04	4,536.62
2. General Reserve		
At the beginning of the year	329.16	269.36
Add: Additions during the year	48.58	48.58
Less: withdrawals/transfer	-	-
Balance at the year end	377.74	317.94
3. Surplus		
At the beginning of the year	12,108.70	12,027.39
Add: Additions during the year	550.81	93.44
Balance at the year end	12,659.51	12,120.83
4. Other Comprehensive Income		
Actuarial Gain/Loss on Gratuity	46.47	37.19
5. Share Forfeiture		
Share Forfeiture	59.43	59.43
TOTAL	17,631.19	17,072.00

20 Non Current Borrowings

(Amount in Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Term Loan		
Secured		
From Bank		
State Bank of India	574.45	742.66
Term Loan VIII	574.45	742.66
HDFC	628.10	1,455.87
Term Loan	399.36	998.38
Term Loan	228.75	457.49
HDFC - Auto Loans	1.38	3.29
Total	1,203.93	2,201.83
Less : Current maturities of long term borrowings	829.48	997.69
TOTAL	374.45	1,204.14

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security		
i	Term loan from bank (SBI Term Loan VIII), balance outstanding Rs. 574.45 lakhs (March 31, 2024 : Rs. 742.66 Lakhs) is secured by pari passu charge by way of equitable mortgage in favour of both banks against all existing and future fixed assets of the Company and further guaranteed by Mr. G. S. Kandoi, Mr. Manish Singhal and Mrs. Prity Singhal, Directors of the company in their personal capacity.	Repayable in 29 Quarterly installments starting from December, 2020. Last installment due in December, 2027. Rate of Interest 9.30% p.a. (March 31, 2024: 10.95%)*
ii	HDFC Term Loan I: balance outstanding amounting to Rs. 399.36 Lakhs (March 31, 2024 : Rs. 998.38 lakhs) is secured by First Pari Passu charge on entire Fixed Assets with SBI and Second Pari Passu charge on entire Current Assets of the company with SBI and further personal guaranteed by Mr. GS Kandoi, Mr Manish Singhal and Prity Singhal, the directors of the company.	Repayable in 27 Quarterly installments starting from March, 2019. Last installment due in September, 2025. Rate of Interest 9.30% (March 31, 2024: 10.10%)
iii	HDFC Term Loan III: Outstanding Rs. 228.75 Lakhs (March 31, 2024 - Rs. 457.49 Lakhs) is secured by First Pari Pasu charge on entire Fixed Assets with SBI and Second Pari Passu charge on entire Current Assets of the company with SBI and further personal guaranteed by Mr. G.S. Kandoi, Mr Manish Singhal and Prity Singhal, the directors of the company.	Repayable in 12 Quarterly installments starting from April, 2023. Rate of Interest: 9.45% (March 31, 2024: 8.95%)
Installments falling due within a year in respect of all the above Loans aggregating Rs. 829.48 lakhs (March 31, 2024 : Rs. 997.69 lakhs) have been grouped under "Current maturities of long term borrowings" (Refer Note 20)		
* Rate of Interest is without considering interest subsidy under TUF scheme.		

20.1

The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.



21 Deferred tax liabilities (Net)

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax liabilities (Net)	272.40	336.52
TOTAL	272.40	336.52

22 Other Non Current Liabilities

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Trade Payables for Capital Assets	105.37	102.83
Government Grants	492.21	537.80
TOTAL	597.58	640.64

23 Current Borrowings

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Current maturities of long term borrowings (Refer Note No.20)	829.48	997.69
Unsecured Loan payable on demand from Directors :	1,440.55	1,113.78
Secured Loan payable on demand from Banks :		
1 State Bank of India		
a. Cash Credit Account	1.61	38.67
b. Packing Credit Limit	5,183.44	-
2 HDFC		
a. Cash Credit Account	25.73	23.31
b. Packing Credit Limit	4,247.13	4,415.65
3 Axis Bank		
a. Cash Credit Account	-	21.55
a. Packing Credit Limit	-	4,287.89
TOTAL	11,727.95	10,898.52

Loans payable on demand from SBI, HDFC & Axis bank are secured by pari passu charge by way of hypothecation of stock of Raw Material, Finished goods, Work in process, Store & spares, Book Debts except receivable of agency division and all current assets of the company.

The loans are further personal guaranteed by Mr. G. S. Kandoi, Mr. Manish Singhal and Mrs. Prity Singhal, the directors of the company.

Cash Credit Limits of Agency Division with State Bank of India (SBI) is secured by Hypothecation of receivables under Electronic dealer Finance Scheme (e-dfs).

HDFC & Axis Banks - The limits are secured by First Pari Passu charge on entire Current Assets with SBI and Second Pari Passu charge on entire Fixed Assets of the company with SBI and further personal guaranteed by Mr. G.S. Kandoi, Mr Manish Singhal and Prity Singhal, the directors of the company.

23.1 :- Borrowings Secured against Current Assets

The company has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the company with banks or financial institutions are not in agreement with the books of accounts. Summary of reconciliation and reasons of material discrepancies are disclosed below:

(Amount in Lakhs)

Quarter	Name of Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in the quarterly return/ statement	Amount of Difference	Reasons for Material Discrepancies
Apr-24 to Jun-24	SBI/HDFC/ AXIS					
		Raw Material	2,468.48	2,456.66	11.82	The Valuation of Stock is done quarterly at the time of quarterly financial results whereas the stock statement is submitted to bank before the finalisation. Difference in Debtors due to Foreign Exchange Difference.
		Work In process	2,791.46	2,762.44	29.02	
		Finished Goods	3,085.56	3,288.48	(202.92)	
		Total Stock	8,345.50	8,507.58	(162.08)	
		Debtors	8,551.86	8,560.20	(8.34)	
		Creditors	2,080.19	2,082.09	(1.90)	
Jul-24 to Sep-24	SBI/HDFC/ AXIS					
		Raw Material	3,261.17	3,253.52	7.65	The Valuation of Stock is done quarterly at the time of quarterly financial results whereas the stock statement is submitted to bank before the finalisation. Difference in Debtors due to Foreign Exchange Difference.
		Work In process	3,539.07	3,546.20	(7.13)	
		Finished Goods	2,898.65	2,481.14	417.51	
		Total Stock	9,698.89	9,280.86	418.03	
		Debtors	7,250.15	7,251.27	(1.12)	
		Creditors	2,594.75	2,594.75	(0.00)	
Oct-24 to Dec-24	SBI/HDFC/ AXIS					
		Raw Material	4,319.69	4,320.40	(0.71)	The Valuation of Stock is done quarterly at the time of quarterly financial results whereas the stock statement is submitted to bank before the finalisation. Difference in Debtors due to Foreign Exchange Difference.
		Work In process	3,961.53	3,961.54	(0.01)	
		Finished Goods	2,148.40	2,148.35	0.05	
		Total Stock	10,429.62	10,430.29	(0.67)	
		Debtors	8,999.80	8,999.79	0.01	
		Creditors	3,951.32	3,951.32	0.00	
Jan-25 to Mar-25	SBI/HDFC/ AXIS					
		Raw Material	3,376.32	3,358.65	17.67	The Valuation of Stock is done quarterly at the time of quarterly financial results whereas the stock statement is submitted to bank before the finalisation. Difference in Debtors due to Foreign Exchange Difference.
		Work In process	3,748.34	3,736.41	11.93	
		Finished Goods	1,771.17	1,775.08	(3.91)	
		Total Stock	8,895.83	8,870.14	25.69	
		Debtors	10,061.33	10,061.34	(0.01)	
		Creditors	3,423.44	3,423.43	0.01	

* It includes cost of sales of Rs. 537.34 Lacs related to goods in transit



24 Trade Payables

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
For Goods		
Outstanding dues of Micro & Small Enterprises	547.56	694.85
Outstanding dues of creditors other than Micro & Small Enterprises	3,846.44	3,150.30
TOTAL	4,394.00	3,845.15

Trade Payables ageing schedule :-

Particulars	Not Due	Outstanding for the year ended 31.03.2025 from the due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,065.67	680.82	-	0.01	0.40	2,746.90
(ii) Others	725.78	896.53	2.69	15.91	3.97	1,644.88
(iii) Disputed dues- MSME	-	-	2.14	-	-	2.14
(iv) Disputed dues- Others	-	-	-	-	0.08	0.08
Total	2,791.46	1,577.35	4.83	15.92	4.44	4,394.00

Particulars	Not Due	Outstanding for the year ended 31.03.2024 from the due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,289.60	205.69	0.01	0.00	-	2,495.31
(ii) Others	482.31	844.64	16.06	2.99	1.62	1,347.62
(iii) Disputed dues- MSME	-	2.14	-	-	-	2.14
(iv) Disputed dues- Others	-	-	-	-	0.08	0.08
Total	2,771.92	1,052.47	16.07	2.99	1.69	3,845.15

Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

The information required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

The details of amount outstanding to Micro & Small Enterprises are as under:-

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	34.93	8.16
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
TOTAL	34.93	8.16

25 Other Current Financial Liabilities

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Liabilities for expenses	1,296.24	997.69
Security Deposit	4.29	3.84
Forward Contract (Fair valuation)	3.25	7.26
TOTAL	1,303.78	1,008.79

26 Other Current Liabilities

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Statutory Liabilities	81.40	50.06
Advance from Customers	97.38	98.02
TOTAL	178.78	148.09

27 Provisions

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Non-Current		
Provision for gratuity	187.94	132.37
Provision for Leave Encashment	22.50	27.83
TOTAL NON-CURRENT PROVISION	210.44	160.19
Current		
Provision for Leave Encashment	2.37	3.49
Provision for gratuity	35.99	36.85
Provision for Bonus	89.35	90.21
TOTAL CURRENT PROVISION	127.71	130.54

28 Current Tax Liabilities (Net)

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Income Tax	240.00	-
Less: Advance Tax	(209.32)	-
TOTAL	30.68	-



29 Revenue From Operations

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
(a) Sale of products		
Terry Towels	29,883.11	25,917.55
Coated Fabric (Net)	4,502.15	4,460.72
(b) Sale of Services		
Commission Income	60.20	83.44
Job Work Income	-	4.13
(c) Other operating revenue		
Duty Drawback	836.64	657.14
ROSL / ROSCTL / RODTEP Scheme	2,256.72	1,957.33
Total	37,538.82	33,080.32

30 Other Income

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
(a) Interest		
Interest from Securities	26.35	18.76
Interest from Bank	0.70	1.19
Other Interest	36.44	40.28
(b) Other non operating revenue		
Foreign Exchange Gain	258.94	354.98
Rental Income	2.62	0.72
Other income	14.35	-
Profit on INR/Euro Swap	18.66	-
Apportioned income from Government Grants	45.60	55.20
Total	403.64	471.13

30.1 Undisclosed Income - NIL

There are 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).

31 Cost of Material Consumed

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Raw Material Consumed		
Opening Stock	1,458.97	1,474.49
Add: Purchases	16,464.42	14,061.11
Purchase of Dyed Towelling Fabric	1,377.06	170.14
	19,300.46	15,705.73
Less: Closing Stock	2,248.11	1,426.93
	17,052.34	14,278.80



Dyes & Chemicals Consumed		
Opening Stock	174.96	290.69
Add: Purchases	3,350.67	3,221.34
	3,525.63	3,512.03
Less: Closing Stock	180.14	174.96
	3,345.49	3,337.07
	20,397.83	17,615.88

32 Changes in inventories of Finished Goods & WIP

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Opening Inventories		
Finished Goods (Towel/ Artificial Leather)	2,430.95	2,121.85
Work in progress	2,278.04	2,996.84
Saleable Waste	3.05	1.85
	4,712.04	5,120.54
Closing Inventories		
Finished Goods (Towel/ Artificial Leather)	1,765.47	2,430.95
Work in progress	3,748.34	2,278.04
Saleable Waste	5.70	3.05
	5,519.51	4,712.04
INCREASE/(DECREASE)	(807.47)	408.50

32.1 The Closing inventory of finished goods is inclusive of sales in transit amounting to Rs.485.81 Lakhs

33 Manufacturing expenses

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Consumable Stores	1,968.00	1,647.39
Job Charges	2,728.73	1,849.13
Packing Material	722.38	537.83
Power & Fuel	2,842.71	2,992.03
Repairs & Maintenance- Building	6.74	50.66
Repairs & Maintenance- Plant & Machinery	10.32	35.93
Stores & Spares	583.14	541.16
Other Manufacturing Expenses	276.63	263.90
Total	9,138.64	7,918.03

34 Employee benefits expense

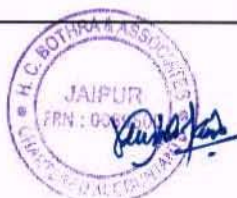
(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Salaries & Wages	2,911.29	2,682.92
Contribution to Provident Fund	198.73	187.72
Contribution to ESIC	57.98	56.71
Contribution to Gratuity	72.78	65.92
Staff welfare Expenses	703.67	136.81
Total	3,944.46	3,130.08

35 Financial expense

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest Expenses	777.97	712.35
Other Borrowing Costs (Bank Charges)	95.06	80.43
Total	873.03	792.78



36 Other expenses

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Insurance	17.90	50.67
Rent	39.22	51.10
Clearing & Forwarding Charges	886.05	820.20
Commission on sale	548.94	479.51
CSR Expenses	-	37.89
Payment to Auditors		
- Audit Fees	3.65	4.70
- Others	2.00	1.55
Professional Fees	151.87	147.40
Miscellaneous Expenses	683.48	602.62
Total	2,333.11	2,195.66

37 Income Tax Expenses

Tax expense recognized in the Statement of Profit and Loss

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Current Tax		
Current Tax on taxable income for the year	240.00	70.00
Total Current Tax expense	240.00	70.00
Deferred Tax		
Deferred Tax charge/(credit)	(66.93)	93.39
Total Deferred Income Tax expense/(benefit)	(66.93)	93.39
Tax in respect of earlier years	(11.55)	31.44
Total income tax expense (including previous year)	161.51	194.83



38 FINANCIAL RISK MANAGEMENT

38.1 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Company's senior management reviews the financial risks and the appropriate financial risk governance framework for the Company.

38.2 Financial risk factors

- The Company's principal financial liabilities comprise of trade payables, borrowings and other liabilities. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.
- The Company has trade and other receivables and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks:

a. Market risk

- Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices/market interest rates.

(i) Interest rate risks:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. According to the Company interest rate risk exposure is only for floating rate borrowings which it had taken from HDFC bank rest of the borrowing of the company are fixed rate borrowing which are not subject to market risk.

Exposure to Interest rate risk

Particulars	(Amount in Lakhs)	
	As at 31st March, 2025	As at 31st March, 2024
Total Borrowings	12,102.40	12,102.66
Borrowings Having variable rate of interest	228.75	457.49
% of Borrowings out of above bearing variable rate of interest	1.89%	3.78%

(ii) Foreign currency risk:

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities, services in the respective currencies and financial instrument to hedge risk exposure. Company doesnot enter into or trade financial instruments for speculating purposes.

Exposure to foreign currency

Particulars	(Amount in Lakhs)	
	As at 31st March, 2025	As at 31st March, 2024
Total Export Trade Receivable	8,335.44	8,002.67
Hedged Trade Receivable (Natural Hedge & Forward contract taken)	880.88	7,384.70
Unhedged Export Trade Receivable	7,454.56	617.97

b. Credit risk

- Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
- The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.10170.75 lakhs and Rs.10449.86 lakhs as at March 31, 2025 and March 31, 2024 respectively. The Company makes major of its export sales, against a security in the nature of Letter of Credit, and hence the credit risk is minimal with regard to export debtors. However the company makes local sales and it is subject to credit risk. The company manages this risk through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the company grants credit terms in the normal course of business.

c. Liquidity risk

- Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs.

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

Particulars	(Amount in Lakhs)					
	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Year ended March 31, 2025						
Trade payables	4,394.00	4,394.00				
Borrowings	1,203.93	614.76	214.73	374.45	-	-
Other financial liabilities	1,296.24	1,296.24				
	6,894.17	6,304.99	214.73	374.45	-	-
Year ended March 31, 2024						
Trade payables	3,845.15	3,845.15				
Borrowings	2,201.83	498.84	498.84	829.48	374.66	-
Other financial liabilities	997.69	997.69				
	7,044.67	5,341.68	498.84	829.48	374.66	-

^a Unsecured Loans from Directors & Corporate and Security Deposits & Forward Contract (Fair valuation) are excluded from Other Financial Liabilities since there payment schedule is not fixed.



Financial Instrument by category and hierarchy

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

In case of security deposits, Company has used the fixed deposit rate of the year of making advance.

In case of security deposit timelimit is not certain.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on carrying amount which are equal to fair value. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published mutual fund operators at the balance sheet date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Amount in Lakhs)

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at amortised cost				
Trade Receivables	10,170.76	10,170.76	10,449.86	10,449.86
Cash & Cash Equivalents	51.06	51.06	1.91	1.91
Other Financial Assets	863.50	863.50	857.00	857.00

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non-Financial Assets designated at fair value through other comprehensive income (Leasehold Land)	-	-	1,394.82	1,394.82

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at fair value through profit and loss				
SWAP Contract Fair Valuation	-	-	-	-
Forward Contracts	-	-	-	-

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities designated at amortised cost				
Borrowings (Non-Current and Current)	12,102.40	12,102.40	12,102.66	12,102.66
Trade Payables	4,394.00	4,394.00	3,845.15	3,845.15
Other Financial Liabilities	1,300.52	1,300.52	1,001.53	1,001.53

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities designated at fair value through profit and loss				
SWAP Contract Fair Valuation	-	-	-	-
Forward Contracts	3.25	3.25	7.26	7.26



The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices/published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, interest free security deposits) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value of Financial Assets and Financial Liabilities accounted for in the Standalone Financial Statements as on the reporting date of the entity

(Amount in Lakhs)

As at 31st March 2025			
Particulars	Level 1	Level 2	Level 3
Financial Assets			
Trade Receivables	-	-	10,170.76
Cash & Cash Equivalents	-	-	51.06
Other Financial Assets	-	-	863.50
SWAP Contract Fair Valuation	-	-	-
Forward Contracts	-	-	-
Financial Liabilities			
Borrowings (Non-Current and Current)	-	-	12,102.40
Trade Payables	-	-	4,394.00
Other Financial Liabilities	-	-	1,300.52
SWAP Contract Fair Valuation	-	-	-
Forward Contracts	3.25	-	-

As at 31st March 2024			
Particulars	Level 1	Level 2	Level 3
Financial Assets			
Trade Receivables	-	-	10,449.86
Cash & Cash Equivalents	-	-	1.91
Other Financial Assets	-	-	857.00
SWAP Contract Fair Valuation	-	-	-
Financial Liabilities			
Borrowings (Non-Current and Current)	-	-	12,102.66
Trade Payables	-	-	3,845.15
Other Financial Liabilities	7.26	-	1,001.53

During the year ended March 31, 2025 and March 31, 2024, there were no transfer into and out of Level 2 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2025 and March 31, 2024, respectively:

Particulars	Fair Value Heirarchy	Valuation Technique	Inputs Used
Financial Assets			
Forward Contracts	Level 1	Quoted prices	
SWAP Contract Fair Valuation	Level 3	Interest Rate Parity Theory	



41 CAPITAL RISK MANAGEMENT

Objective

The primary objective of the Company's capital management is to maximize the shareholder value, i.e. to provide maximum returns to the shareholders. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns to the shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2025 and March 31, 2024.

Policy

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the rules and regulations framed by the Government.

Process

The Company manage its capital by maintaining sound/optimal capital structure financial ratios, such as net debt-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. Debt-to-equity ratio as of March 31, 2025, March 31, 2024 is as follows:

(Amount in Lakhs)		
Particulars	As on 31st March 2025	As on 31st March 2024
Total debt	12,102.40	12,102.66
Total equity	18,153.29	17,594.10
Ratio	0.67	0.69



42 PROVISIONS

Movement in each class of provision during the financial year are provided below:

(Amount in Lakhs)

Particulars	Provision for Bonus	Provision for Gratuity	Provision for Leave encashment	Provision for Taxation
As at 1st April 2023	163.46	255.42	40.25	-
Adjusted with Advance Tax/TDS/TCS	-	-	-	(70.00)
Actuarial Gain/Loss	-	(27.62)	(19.01)	-
Addition during the year	90.21	65.92	16.63	70.00
Actual Benefits Paid	(163.46)	(58.53)	(6.55)	-
As at 31st March 2024	90.21	235.19	31.32	-
Adjusted with Advance Tax/TDS/TCS	-	-	-	(209.32)
Actuarial Gain/Loss	-	(11.52)	(14.31)	-
Addition during the year	89.35	70.36	12.08	240.00
Actual Benefits Paid/Utilized	(90.21)	(29.27)	(4.21)	-
As at 31st March 2025	89.35	264.77	24.87	30.68

Change in Fair Value of Plan Asset for Gratuity

(Amount In lakhs)

Particulars	As at March 31,2025	As at March 31,2024
Fair Value of Plan Assets at the beginning of the period	65.98	118.12
Expected return on plan asset	4.45	8.56
Contributions	-	-
Benefits Paid	(29.27)	(58.53)
Actuarial gain/(Loss)	(0.32)	(2.17)
Fair Value of Plan Assets at the end of the period	40.84	65.98

Particulars	Provision for Bonus	Provision for Gratuity (Net)	Provision for Leave encashment	Provision for Taxation
As at 31st March 2024				
Current	90.21	36.85	3.49	-
Non Current	-	132.37	27.83	-
	90.21	169.21	31.32	-
As at 31st March 2025				
Current	89.35	35.99	2.37	30.68
Non Current	-	187.94	22.50	-
	89.35	223.92	24.87	30.68



43 INCOME TAX EXPENSE

(Amount in Lakhs)

Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
Current Tax	240.00	70.00
Deferred Tax	(66.93)	93.39
Tax in respect of earlier years	(11.55)	31.44
Total tax expense (For Current year)	161.51	194.83

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s) :		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before income tax	712.32	288.27
Applicable Rate	25.168%	25.168%
Tax Expense	179.28	72.55
Tax Effect of		
Impact of ICDS	(3.14)	(33.41)
Effect of expenses that are not deductible in determining taxable profit	360.65	330.74
Effect of expenses that is deductible in determining taxable profit	(306.45)	(303.72)
Others	9.67	3.83
Income tax payable as per India's statutory income tax rate (A)	240.00	70.00
Adjustments in respect of current income tax of previous year (B)	(11.55)	31.44
Total Income tax payable (A) + (B)	228.45	101.44
Deferred Tax Provision (C)	(66.93)	93.39
Tax expense reported in the statement of profit and loss (A+B+C)	161.51	194.83

Deferred Tax Assets (Liabilities)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

(Amount in Lakhs)

Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
Deferred Tax Asset		
Provision for Leave Encashment	6.26	0.88
Provision for Gratuity	47.30	42.59
Government Grant	123.88	135.35
Forward Contract	-	-
Unamortized transaction cost	-	0.35
Provision for Bad debts	50.34	-
Provision for Bonus	22.49	22.70
	250.26	201.87
Deferred Tax Liability		
Property, Plant and Equipment	(522.67)	(538.39)
	(522.67)	(538.39)
Net Deferred Tax Asset(Liability)	(272.40)	(336.52)



44 Related Party Transactions

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported as under:

(i) Related party Name and relationship

(a) Executive Directors:

Particulars	Designation
Shri G S Kandoi	Chairman Cum Wholtime Director
Shri Manish Singhal	Managing Director
Smt. Prity Singhal	Whole Time Director cum CFO
Sh Ajay Sharma	Executive Director

(b) Relatives of Key Managerial Persons with whom transactions have taken place:

Particulars	Relation
Smt. Ritu Singhal	Daughter in law of shri G.S. Kandoi
Shri Vivek Singhal	Son and brother of Director
Shri Bhavik Singhal	Grandson of Director
Shri Mantika Singhal	Daughter of Director

(c) Non Executive Directors, KMP and Enterprises Over which they are able to exercise significant influence (With whom transaction have taken place):

Particulars	Designation
Shri Bridhi Chand Sharma	Independent Director
Anand Mishra	Independent Director
Vikas Damani	Independent Director
Vani Jain	Independent Director
M/s B I Enterprises Pvt. Ltd.	Son of Director is Director
M/s Chrome International Co. Ltd.	Son of Director is Director
M/s Suave Casa Ideas Private Limited	Shri Manish Singhal & Smt. Prity Singhal is Director from 01.02.2025
CS - Anand Singh	Compliance Officer from 26.12.2023 to 01.03.2025
CS - Navita Khuteta	Compliance Officer from 02.03.2025

(ii) Transactions Carried Out With Related Parties referred in point 1 above in ordinary course of Business (Arms Length Transactions)

(Amount In lakhs)

Nature of Transactions	Related Parties		
	Referred to in 1(a) above	Referred to in 1(b) above	Referred to in 1(c) above
Sales & Purchase			
Goods & Material & Services	-	-	788.75
Short term Employee Benefit Expenses	213.00	48.25	4.80
Interest Paid	115.60	-	-
Rent Expense	18.12	-	18.40
Rent Income	-	-	2.24

Nature of Transactions	Related Parties		
	As at 31st March, 2025	As at 31st March, 2024	
Outstandings			
Payable (Trade Paybles and other Liabilities)			
Key Management Personnel	1,440.55	1,113.78	
Relatives of Key Managerial Personnel	-	-	
End of the year	1,440.55	1,113.78	
Executive Directors Compensation			
(a) Short term Employee Benefits	213.00	294.40	
Total Compensation	213.00	294.40	



45 CONTINGENT LIABILITIES

(Amount in Lakhs)

S.No.	Particulars	As at March 31,2025	As at March 31,2024
(I) Contingent Liabilities			
(i)	Bank Guarantees	450.00	450.00
(ii)	Civil suit	13.76	13.76
(iii)	Service Tax	23.00	23.00
TOTAL		486.76	486.76

Note Civil Suit pending before Bombay High Court for the period related to FY 2009-10
Service Tax appeal pending with Customs, Excise & Service Tax Appellate Tribunal
(New Delhi) for FY 2014-15

46 CAPITAL/OTHER COMMITMENTS

(Amount in Lakhs)

S.No.	Particulars	As at March 31,2025	As at March 31,2024
(i)	Estimated amount of contracts remaining to be executed on capital/other account and not provided for	-	-
TOTAL		-	-



47 SHORT - TERM EMPLOYEE BENEFITS:-

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related services. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability after deducting any amount already paid.

POST RETIREMENT BENEFIT PLANS**Defined Contribution Plan:**

Contribution to superannuation fund is recognised as an expense in the Statement of Profit & Loss as it is incurred. There are no other obligations other than the contribution payable to the respective trust. Eligible employees receive benefits from a provident fund which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

Defined Benefits Plan**(i) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Change in Present value of defined benefit obligation**(Amount in lakhs)**

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
PV of Obligation at the beginning of the period	235.19	255.17
Interest cost	17.05	19.14
Current Service Cost	53.31	47.04
Benefits Paid	(29.27)	(58.53)
Actuarial (Gain)/ Loss	(11.52)	(27.62)
PV of Obligation at the End of the period	264.76	235.19

Change in Fair Value of Plan Asset**(Amount in lakhs)**

Particulars	Amount (Rs.)	Amount (Rs.)
Fair Value of Plan Assets at the beginning of the period	65.98	118.12
Expected return on plan asset	4.45	8.56
Contributions	-	-
Benefits Paid	(29.27)	(58.53)
Actuarial gain/(Loss)	(0.32)	(2.17)
Fair Value of Plan Assets at the end of the period	40.84	65.98

Actuarial Assumptions

Particulars	Particulars	Particulars
Mortality Rate	IALM 2012-14	IALM 2012-14
Withdrawal Rate	5% p.a.	5% p.a.
Discount Rate	6.75% p.a.	7.25% p.a.
Salary Escalation	5%	5%

Long-term Employee Benefits:-

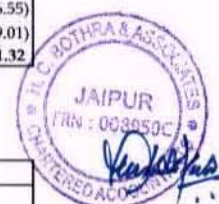
Long-term employee benefits Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

Change in Present value of defined benefit obligation**(Amount in lakhs)**

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
PV of Obligation at the beginning of the period	31.32	40.24
Interest cost	2.27	3.02
Current Service Cost	9.81	13.61
Benefits Paid	(4.21)	(6.55)
Actuarial (Gain)/ Loss	(14.31)	(19.01)
PV of Obligation at the End of the period	24.87	31.32

Actuarial Assumptions

Particulars	Particulars	Particulars
Mortality Rate	IALM 2012-14	IALM 2012-14
Withdrawal Rate	5% p.a.	5% p.a.
Discount Rate	6.75% p.a.	7.25% p.a.
Salary Escalation	5%	5%



48 Disclosures required under Ind AS 108

In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given as follows:

Operating Segments:

- (i) Textile Division :-Manufacturing and marketing of terry towels, made-ups, readymade garment like bathrobes, babyhood towels, pillows etc. in the domestic and inter-national market.
- (ii) Agency Division :- Consignment Stockists of C.All. (India) Ltd. for marketing and distribution of polymers in Rajasthan and
- (iii) Technical Textile Division :- Manufacturing of artificial leather through technical textile

Identification of Segments:

The Managing board monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as others

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as others

Information about major Customers:

The company is making sale of more than 10% of Revenue to two different customers.

Customer	Amount of Revenue	Name of Segment
Customer 1	13,999.91	Textile
Customer 2	3,514.34	Textile

Particulars	Textile		Technical Textile		Others		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1 Segment Revenue								
Sales and other revenue	30,841.16	27,518.73	5,816.13	5,849.51	60.20	83.44	36,717.49	33,451.68
Other Operating Income	3,093.36	2,614.47	-	-	-	-	3,093.36	2,614.47
Inter Unit Transactions	(958.05)	(1,597.04)	(1,313.98)	(1,388.79)	-	-	(2,272.03)	(2,985.83)
Interest Income	27.81	29.42	0.70	1.19	34.98	29.62	63.49	60.23
Other Income	278.86	347.17	61.29	63.72	-	-	340.15	410.90
Total Revenue	33,283.15	28,912.75	4,564.14	4,525.64	95.17	113.07	37,942.46	33,551.45
2 Segment Results								
Profit before interest, depreciation & tax	2,520.70	2,009.54	379.39	226.67	35.80	47.10	2,935.89	2,283.31
Interest Expenses	799.69	674.94	65.33	110.23	8.01	7.61	873.03	792.78
Depreciation & Amortization	934.49	789.94	415.61	411.96	0.44	0.37	1,350.53	1,202.26
Provision for tax	164.33	201.24	-	-	-	-	164.33	201.24
Profit/(Loss) after tax	622.19	343.42	(101.55)	(295.51)	27.35	39.12	547.99	87.03
3 Other Information								
a Segment Assets	27,978.71	24,494.52	9,232.72	11,243.09	159.62	229.08	37,371.05	35,966.69
b Segment Liabilities	27,978.71	24,494.52	9,232.72	11,243.09	159.62	229.08	37,371.05	35,966.69
Total Liabilities	17,076.79	15,381.10	1,881.20	2,735.20	259.78	256.28	19,217.77	18,372.58

Revenue from contracts with customers disaggregated on the basis of Geographical region

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Sales	8,523	7,701
-Domestic (Including Export Incentives)	29,016	25,379
-Export		
Total	37,538.82	33,080.32



49 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Current Assets		
Financial Assets		
Cash & Cash Equivalents	51.06	1.91
Receivables	10,170.76	10,449.86
Non Financial Assets		
Inventories	8,895.83	7,359.44
Total Current assets Pledged as security	19,117.65	17,811.21
Non Current Assets		
First Charge		
Land	4,357.42	4,415.88
Building	3,293.57	3,310.08
Furniture, fittings and equipment	106.08	118.21
Plant and Machinery including Store & Spares	6,106.04	6,280.92
Others	266.24	311.08
Total non-current assets Pledged as security	14,129.35	14,436.16
Total assets Pledged as security	33,247.01	32,247.37



50 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(in number)		
Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
Issued number equity shares	5,221,000	5,221,000
Potential Equity Shares	-	-
Weighted average shares outstanding - Basic and Diluted	5,221,000	5,221,000

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Lakhs)		
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit and loss after tax	550.81	93.44
Profit and loss after tax for EPS	550.81	93.44
Basic Earnings per share (in Rs.)	10.55	1.79
Diluted Earnings per share (in Rs.)	10.55	1.79

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

51 INVESTMENT PROPERTY

The company has given on rent a portion of its factory building situated at SP-4/3, Keshwana, Kotputli, Jaipur-303108, however the portion given on rent is insignificant and major portion of the factory is used in manufacturing activities hence the company has not recognised separately such portion as an investment property by taking of the view given in para 10 of IND AS 40 "Investment Property"



Corporate Social Responsibility Expenditure

	Year ended 31.03.2025	Year ended 31.03.2024
a) Amount required to be spent during the year (Last Year's Excess CSR Expenditure was Rs.4.66 Lacs & during the current year the amount to be spent is Rs.37.20 Lacs)	-	37.20
b) Amount of expenditure incurred - Ongoing Project - Other	- 5.23	24.00 13.89
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Eye Care Day Event/School Fees	Shoes to Schools/ Eye Care Day Event/Shed for Cattles

The notes to accounts relating to CSR expenditure should also contain the following:

- (i) Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Indian Accounting Standard (Ind AS) 24, *Related Party Disclosures*.
- (ii) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year
- (iii) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that
- (a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.
- (b) the Board of the company shall pass a resolution to that effect.
- (iv) In case of excess amount spent, the following disclosure should be made:

In case of Section 135(5) Excess amount spent			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Excess Spent
Not Applicable			

Details of ongoing project and other than ongoing project

In case of Section 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In separate CSR Unspent A/c		From Company's bank A/c	In Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	12.00	23.31	12.00	-	-	12.00

In case of Section 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	5.23	5.23



53 Financial and Derivatives Instruments

The Company uses derivative Instruments to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments on forecasted as transactions as approved by Board of Directors. The Company does not use derivative instruments for speculation purpose.

Outstanding derivative Instruments entered into by the Company as on 31.3.2025 is as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Forward Contract		
No. of contracts	5	37
US Dollar	787,707	8,703,219
INR (in Lakhs) equivalent	671.42	7,279.59

Value of Imports on CIF basis:-

(Amount in Lakhs)

Particular	As at 31st March, 2025	As at 31st March, 2024
Raw Material, Spare parts & consumbles	504.31	802.43
Capital Goods	238.35	79.96

Value of Raw Material, Components, & Spare Parts consumed

(Amount in Lakhs)

Particular	As at 31st March, 2025		As at 31st March, 2024	
	Amount	%	Amount	%
Raw material				
Imported	368.69	1.81	571.45	6.25
Indigenous	20,029.15	98.19	17,044.43	93.75
Spare parts				
Imported	244.77	9.59	172.09	8.99
Indigenous	2,306.37	90.41	2,016.46	91.01

Expenses in foreign currency

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Travelling	13.81	15.56
Commission	146.41	299.75
Misc. Exp.	25.10	12.63
Testing Fee	16.00	12.89

Earning in Foreign Currency

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Export of Goods on FOB Basis	28,883.06	24,974.14



Note :- 54

Ratio Analysis

Following ratio are being disclosed:

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	1.29	1.33	-2.48%	-
Debt-equity ratio	Total Debt	Shareholder's Equity	0.67	0.69	-3.08%	-
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.56	0.88	76.76%	Due to Loan Repayments
Return on equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.03	0.01	471.35%	Due to Increase in Profit compared to Previous Year
Inventory turnover ratio	Cost of goods sold	Average Inventory	11.10	12.14	-8.58%	-
Trade receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	3.34	2.94	13.34%	-
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.14	4.15	23.89%	-
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	6.62	5.83	13.53%	-
Net profit ratio	Net Profit	Net sales = Total sales - sales return	0.02	0.00	421.33%	Due to Increase in Profit compared to Previous Year
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.06	0.03	97.40%	Due to Increase in Net Profit
Return on investment	Interest (Finance Income)	Investment	-	-	-	-

(a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	March 31, 2025	March 31, 2024
Current Assets	22,969	21,258
Current Liabilities	17,763	16,031
Ratio	1.29	1.33
% Change from previous period/year	-2.48%	

Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	March 31, 2025	March 31, 2024
Total debts	12,102.40	12,102.66
Total equity	18,153.29	17,594.10
Ratio	0.67	0.69
% Change from previous period/year	-3.08%	

Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	March 31, 2025	March 31, 2024
Profit after tax	550.81	93.44
Add: Non cash operating expenses and finance cost		
- Depreciation and amortizations	1,350.53	1,202.26
- Finance cost	873.03	792.78
Earnings available for debt services	2,774.38	2,088.48
Interest cost on borrowings	777.97	712.35
Principal repayments	997.89	1,650.63
Total Interest and principal repayments	1,775.87	2,362.98
Ratio	1.56	0.88
% Change from previous period/year	76.76%	

Return on Equity Ratio/ Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	March 31, 2025	March 31, 2024
Net profit after tax	550.81	93.44
Total equity	18,153.29	17,594.10
Ratio	0.03	0.01
Change in basis points (bps) from previous period / year		
% Change from previous period/year	471.35%	

Inventory Turnover Ratio = Cost of materials consumed divided by Average inventory

Particulars	March 31, 2025	March 31, 2024
Cost of material consumed	20,397.83	17,615.88
Average inventory	1,837.52	1,450.71
Inventory turnover Ratio	11.10	12.14
% Change from previous period/year	-8.58%	

Trade Receivables turnover ratio = Credit Sales divided by Average trade receivables

Particulars	March 31, 2025	March 31, 2024
Credit sales	34,385.26	30,378.27
Average Trade Receivable	10,310.31	10,324.36
Ratio	3.34	2.94
% Change from previous period/year	13.34%	



Trade payables turnover ratio = Credit purchases divided by Average trade payables

Particulars	March 31, 2025	March 31, 2024
Credit purchases	21,192.15	17,452.59
Average Trade Payables	4,119.57	4,203.00
Ratio	5.14	4.15
% Change from previous period/year	23.89%	

Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	March 31, 2025	March 31, 2024
Sales	34,445.46	30,461.72
Net working capital	5,206.08	5,226.71
Ratio	6.62	5.83
% Change from previous period/year	13.53%	

Net profit ratio = Net profit after tax divided by Sales

Particulars	March 31, 2025	March 31, 2024
Net profit after tax	550.81	93.44
Sales	34,445.46	30,461.72
Ratio	0.02	0.00
Change in basis points (bps) from previous period / year		
% Change from previous period/year	421.33%	

Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	March 31, 2025	March 31, 2024
Profit before tax (A)	712.32	288.27
Finance cost (B)	873.03	792.78
Other Income (C)	403.64	471.13
EBIT (D) = (A) + (B) - (C)	1,181.72	609.92
Total Assets (E)	37,371.05	35,966.68
Current Liabilities (F)	17,762.90	16,031.09
Cash and Cash equivalents (G)	8.99	1.30
Bank balances other than cash and cash equivalents (H)	42.07	0.61
In Bank Deposits Accounts (Remaining Maturity of Less than 12 Months) (I)	9.06	17.30
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	19,548.03	19,916.38
Ratio (D) / (J)	0.06	0.03
% Change from previous period/year	97.40%	



Note :- 55

Relationship with Struck-off Companies:

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:-

Name of struck off company	Nature of transactions with struck-off Company	Transaction during the year March 31, 2025	Balance outstanding as at 31.03.2025	Relationship with the Struck off company
	Investments in securities	The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.		
	Receivables			
	Payables			
	Shares held by struck off companies			
	Other outstanding balances			

Name of struck off company	Nature of transactions with struck-off Company	Transaction during the year March 31, 2024	Balance outstanding as at 31.03.2024	Relationship with the Struck off company
	Investments in securities	The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.		
	Receivables			
	Payables			
	Shares held by struck off companies			
	Other outstanding balances			

* The previous period / year figures are reclassified / re-arranged / regrouped, wherever necessary to make them comparable.

*The figures have been rounded off in nearest Lakhs upto two decimal points except otherwise stated.

In terms of our separate Audit Report of even date

FOR H.C. Bothra & Associates

Chartered Accountants

FRN: 008950C



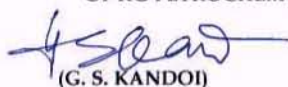
(Abhishek Jain)

Partner

M. No. 401501



For & on behalf of the Board of Directors
OF KG PETROCHEM LIMITED


(G. S. KANDOI)

Chairman Cum Wholetime Director

DIN: 00120330


(PRITY SINGHAL)

Wholetime Director cum CFO

DIN: 02664482


(MANISH SINGHAL)

Managing Director

DIN: 00120232


(NAVITA KHUNTETA)

Company Secretary

M.No. A35214

Place : JAIPUR

Date: 28.05.2025